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The Effect of Changes in Maternity Leave Policy on Labor Market Outcomes for Females in Brazil

Viviane Maria Bastos de Malafaia

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THE EFFECT OF CHANGES IN MATERNITY LEAVE POLICY ON LABOR MARKET OUTCOMES FOR FEMALES IN BRAZIL

BY

VIVIANE MARIA BASTOS DE MALAFAIA

A Dissertation Submitted in Partial Fulfillment
of the Requirements for the Degree
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ACCEPTANCE

This dissertation was prepared under the direction of the candidate's Dissertation Committee. It has been approved and accepted by all members of that committee, and it has been accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy in Economics in the Andrew Young School of Policy Studies of Georgia State University.

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ABSTRACT

The Effect of Changes in Maternity Leave Policy on Labor Market Outcomes for Females in Brazil

By

VIVIANE MARIA BASTOS DE MALAFIA

December, 2008

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Maternity leave policy has changed a few times over the last 20 years in Brazil. This paper investigates how a ceiling imposed on the maternity leave benefit paid by Brazilian Social Security in Dec, 1998 and its temporarily suspension in May, 1999 affected females' employment and earnings using difference-in-difference method.

We apply the difference-in-difference method to examine whether the changes in maternity leave policy negatively affected females in the labor market. Our analysis uses four treatment groups: 1) young females, aged 20 to 40 years, 2) young females working in the private sector, 3) older females, aged 41 to 65 years, working in the private sector, and 4) young females with infants. Young females were selected based on the fact that they have a higher probability of giving birth compared to older females and, consequently, using the maternity leave benefit. The second and third groups were supposedly the groups directly reached by these changes in maternity leave policy since earnings and employment in the public sector should not be based on an individual's gender and therefore discrimination may be absent or less prevalent there than in the

private sector. We also include young females with infants as a treatment group since employers may use this information to infer the probability of a female having another child. We also propose four control groups: 1) older females aged between 41 and 65 years, 2) young females working in the public sector, 3) older females working in the public sector, and 4) young males.

Overall, our results show that the limit imposed on maternity leave benefits paid by Social Security and the transfer of the responsibility of paying the remaining wages to employers negatively affected females' hourly wages, and this negative effect seems to have persisted even while the limit was temporarily suspended. Furthermore, young females were more affected by the change in policy than older females. These results lead us to think that these changes in maternity leave policy may have slowed the convergence of females' wages toward males' wages or "forced" females to swim upstream during the period from May 1999 to March 2003.

INTRODUCTION

In December 1998, the Social Security System (INSS) reform was sanctioned by Brazil's Congress, imposing a ceiling of R$ 1,200[1] on every benefit including maternity leave for working women, paid by paid by the INSS.[2] Consequently, employers became responsible for paying the remaining wages to women earning wages above this ceiling. For instance, if a woman earns R$ 1,500, Social Security will pay R$ 1,200 and her employer pays R$ 300. According to traditional labor demand/supply theory, this change in maternity leave policy is expected to decrease demand for female workers because it would increase costs to their employers.

One month after the Congress's action, in January 1999, a lawsuit was filed at the Supremo Tribunal Federal (Supreme Court) arguing that this ceiling was unconstitutional since it may increase discrimination against women in the labor market. In May 1999, the Supremo temporarily suspended this limit on the maternity leave benefit. The limit was permanently cancelled in March 2003, about four years later.

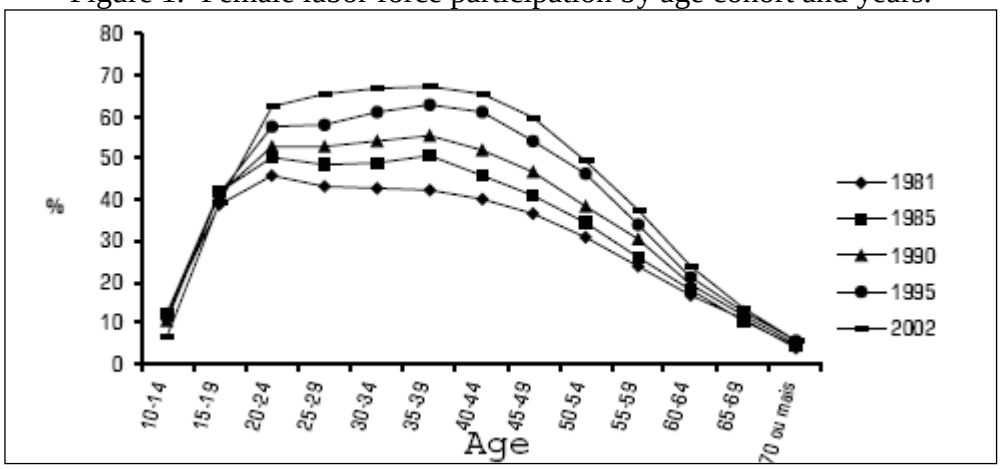
The period from December 1998 to March 2003 allows analysis of females' labor market outcomes from the perspective of two different policy changes. From December 1998 to May 1999, the effects of the limit imposed on maternity leave benefits paid by the INSS on females' employment and earnings can be analyzed. The temporary suspension of this ceiling also permits the examination of whether employment and earnings of females were negatively affected from May 1999 through March 2003

[1] US$ 1.00 = R$1.58 on 07/26/2008; US$ 1.00 = R$1.21 in December 1998. Source: Brazilian Central Bank,www.bcb.gov.br/, retrieved on 07/25/08.
[2] Amendment nº 20 (artº 14) was included in the Constitution.

because employers were uncertain about the Supremo's final decision even though maternity leave benefits had returned to being fully paid by Social Security. In addition, whether the demand for female workers increased after the limit on maternity benefits paid by the INSS was finally cancelled in March 2003 can be also examined.

These policy changes overlap with a period of time when female labor force participation was growing for each age cohort (see Figure 1). This rise in females' engagement in the labor market may have promoted not only an increase in females' productivity but also a reduction of gender discrimination.

Figure 1. Female labor force participation by age cohort and years.



Source: Hoffman and Leone (2004), p. 41.

Studying the effects of the changes in maternity leave policy from December 1998 to March 2003 is important considering that discrimination is the main source of the gender wage gap in Brazil. Indeed, differences in productivity in Brazil do not play as important a role in Brazil as they do in the United States in explaining gender wage differentials (Barros, Ramos, & Santos, 1995; Leme & Wajnman, 2000).

At the time of this research, most of the studies that analyzed changes in maternity leave policy focused on an introduction of unpaid or paid maternity leave and/or a change in the duration of the leave. This is the first study to verify the effects of changes in maternity leave policy on females' hourly wages and employment outcomes using microdata from a Latin American country. Besides the evident interest in examining whether the main stylized facts hold for a Latin American country, the motivation also lies in the fact that these changes in the maternity leave policy in Brazil allow the examination of the effects in cases where there was a direct increase in the costs to employers but no additional benefit conceded to working women. In contrast to the many studies that analyzed the effects of changes in maternity leave policy on females' outcomes, this study introduces females working in the public sector as a control group for females working in the private sector under the assumption that the changes in policy did not affect females who work in the public sector.

We apply the difference-in-difference method to examine whether the changes in maternity leave policy negatively affected females in the labor market. Our analysis uses four treatment groups: 1) young females, aged 20 to 40 years, 2) young females working in the private sector, 3) older females, aged 41 to 65 years, working in the private sector, and 4) young females with infants. Young females were selected based on the fact that they have a higher probability of giving birth compared to older females and, consequently, using the maternity leave benefit. The second and third groups were supposedly the groups directly reached by these changes in maternity leave policy since earnings and employment in the public sector should not be based on an individual's gender and therefore discrimination may be absent or less prevalent there than in the

private sector. We also include young females with infants as a treatment group since employers may use this information to infer the probability of a female having another child. We also propose four control groups: 1) older females aged between 41 and 65 years, 2) young females working in the public sector, 3) older females working in the public sector, and 4) young males.

This dissertation uses two different household surveys: the Pesquisa Mensal de Emprego (PME) from 1996 to 2006 (with the year 2001 excluded) and the Pesquisa Nacional por Amostra à Domicilio (PNAD) from 1996 to 2002 (with the year 2000 excluded).[3] Both surveys are conducted by the Instituto Brasileiro de Geografia e Estatística.[4] The main difference between the two datasets is that the PME is conducted monthly in the six biggest cities in Brazil—São Paulo (SP), Rio de Janeiro (RJ), Belo Horizonte (BH), Salvador (SA), Recife (RE), and Porto Alegre (POA)—while the PNAD is conducted annually, except during Census year, in every of the 27 states in Brazil. Only the PNAD is constructed using a representative sample of the population in Brazil.

This dissertation is organized as follows. Chapters 2 and 3 present the literature review and the theoretical framework, respectively. Chapter 4 introduces the empirical model. Chapter 5 discusses both datasets and introduces the variables used in the analyses. The construction of analyses samples is also discussed in chapter 5. Finally, chapter 6 summarizes the results and concludes the report. Descriptive statistics and full regression tables are presented in Appendices A, B, and C.

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[3] The PNAD survey was not conducted in 2000 because the CENSUS was performed that year instead.
[4] Available at www.ibge.gov.br/english/ retrieved on November 25, 2008.

LITERATURE REVIEW

Maternity Leave Policy

Maternity Leave Law gives women the right to leave their job for a certain period of time and to return to the same job position. During maternity leave, women may or may not be remunerated; whether their maternity leave is paid or unpaid depends on what is established by the federal, state, and/or firm's statute mandate. For example, the federal law in the U.S. (Family and Medical Leave Act [FMLA], 1993) states that a female worker has a right to four months of unpaid leave. Ruhm (1998) stated that all Western European countries mandate at least three months of paid maternity leave, however.

In 1993, the Family and Medical Leave Act (FMLA) established the right to twelve weeks of unpaid maternity leave for eligible women in the United States.[5] However, some states in the US had already passed maternity leave laws. Taking advantage of the fact that maternity leave laws were passed in some states earlier than the FMLA was passed, Baum (2003) used the difference-in-difference method to examine whether the FMLA had an effect on employment and wages for mothers with infants and women at childbearing age in the states with no prior maternity leave policy. Baum's paper used three different control groups: individuals from states where maternity leave legislation was passed since 1993, men, and single men from states with no mandated maternity leave before FMLA. After controlling for demographic characteristics, state-specific effects, and year-specific effects, Baum found that maternity leave legislation

[5] The FMLA states that a woman is eligible for maternity leave if she has worked at least one year and if she has worked at least 1,250 hours during the last year in her current job. In addition, this law is only applicable to those female employees who work in large firms (firms with at least 50 employees).

increased the probability of women being employed. Moreover, Baum found that mandated maternity leave had a negative impact on the wages of mothers with infants and a positive effect on the wages of women of childbearing age. However, these results are not statistically significant. Since the new legislation had an impact on the female labor supply as well, the coefficients might be biased as a result of self-selection. Because of this, the author used a correction method proposed by Heckman (1979). After correcting for self-selection, Baum found that the new legislation had a small but not a significant effect on female wages. According to Baum, small effects on female wages and employment are reasonable for two reasons. First, maternity benefits were unpaid. Second, most employers were already providing maternity leave benefits before FMLA was passed.

The maternity leave policy has been present in Europe since the German Imperial Industrial Code of 1891 established that women were forbidden to work during the first four weeks after childbirth (Ruhm, 1998). During the following one hundred years, benefits were continuously extended and now a paid parental leave of at least 12 weeks is provided across all Western European countries. According to Ruhm (1998), the parent benefit covers not less than 80% of their current earnings, and it is usually provided by the government. In some countries, the legislation also permits the parents (mother and father) to decide which of them will take the leave. Using men and women aged 45 to 54 years as a control group for women aged 25 to 34 years (the treatment group), Ruhm (1998) analyzed how changes in maternity leave legislation from 1969 to 1993 affected women's employment and wages in 16 European countries. The results show that

changes in paid maternity benefit have a negative effect on female wages but increased women's employment.

In order to verify whether women value maternity leave as a benefit (an amenity of the job), Edwards (2006) estimated the wage differential between those women who are eligible for maternity leave and those women who are ineligible in Australia. A negative relationship between wage differential and eligibility for maternity leave was found. In other words, women who are eligible for maternity leave receive, on average, lower wages than those who are not eligible.

Maternity policy and its effects are not largely studied in Brazil and Latin America. The only study that we are aware of, at the time of this literature review, was conducted by Carvalho, Firpo and Gonzaga (2006). Using a difference-in-difference method, they examined whether the increase in maternity leave duration from 84 days to 120 days in 1988 led to a reduction in women's wages, seniority at their current job, and employment in the labor market. Men between 20 and 35 years old and women between 35 and 65 years old were the control groups to women between 20 and 35 years old.[6] Their results showed that an increase of approximately one month in the duration of the leave does not appear to have an effect on young females' wages, or employment in the labor market.

Gruber (1994) studied the effect of mandated coverage for childbirth in health insurance policies established in 1978 in the United States. The interesting fact in this

[6] They assume that women between 20 and 35 years old are in a fertile group and, therefore, are more likely to be affected by the increase in the duration of the maternity leave. Although the researchers do not explicitly explain this, they consider women older than 35 years to have a low probability of getting pregnant; therefore, these women are probably not affected by this change in policy.

study is that the mandate affected not only women but also married men. Gruber estimated the impact of the inclusion of childbirth in health insurance on young women and young married men's wages, employment, and hours of work using single men and men and women over 40 years old as control groups. Their results showed that both married young men and young women were negatively affected by the mandate. Nevertheless, the labor market response was greater for young women (single and married) than for young married men.

Gender Wage Gap

During the 1960s and 1970s, the female-male wage ratio did not improve substantially and remained around 60% in the U.S. (Blau and Kahn, 1980). A change in this pattern occurred at the end of the 1970s, causing the gender wage gap to narrow. The study of what factors contributed to this decline in the gender wage gap was important since wage inequality had increased considerably for both men and women and net shifts of supply and demand were disadvantageous for women overall during the 1980s.

Blau and Kahn (1997) used the Panel Study of Income Dynamics (PSID) for 1980 and 1989 to decompose the changes in the gender wage gap in the U.S. applying the methodology proposed by Juhn, Murphy, and Pierce (JMP) (1991). According to their results, the increase in wage inequality was responsible for slowing down the decline in the gender wage gap. However, improvement in female skills (e.g., years of schooling and experience) and reduction in discrimination against women were large enough to make up for the negative effect of the increase in wage inequality and, consequently, sufficient to promote a decline in the gender wage gap over this period.

Contrary to the 1980s, the 1990s saw a slower convergence in the U.S. gender wage gap. Blau and Kahn (2006) also studied which factors led to a slower convergence of female and male wages in the 1990s using JMP methodology to decompose the sources of changes in the gender wage gap. According to their results, the slower rate in the convergence was mainly caused by changes in labor force selectivity (e.g., changes in female labor force participation were lower in the 1990s than in the 1980s), changes in female and male unmeasured characteristics (e.g., reduction of gender discrimination was slower in the 1990s), and changes in the demand shifts and wage inequality. On the other hand, improvements in females' experience, education, and commitment in the labor market were not the reasons for the reduction in the female-male wage ratio growth to the extent that changes in human capital compared to men were similar to the previous period's improvements. Finally, changes in occupations and deunionization benefited women less in the 1990s than in the 1980s.

Blau and Kahn (2003) analyzed whether wage structures were strongly related to the size of the gender wage gap using a microdata survey of 22 industrialized countries.[7] They found that higher wage inequality contributes to a low female-male wage ratio since return to skills is high (e.g., experience and education), which usually harms more female workers than male workers. Additionally, they showed that a high excess of female supply reduces the gender wage gap.

Camargo and Serrano's report (1983) is one of the first papers to study gender differentials in the labor market in Brazil. Using a survey collected by the Brazilian

[7] The 22 countries studied were Australia, Austria, Britain, Bulgaria, Canada, Czech Republic, East Germany, West Germany, Hungary, Ireland, Israel, Italy, Japan, The Netherlands, New Zealand, Norway, Poland, Russia, Slovenia, Sweden, Switzerland, and the United States.

Ministry of Labor (Relação Annual de Informações Sociais [RAIS]) in 1976, they estimated a wage equation for each gender in order to test whether their wage determination has a different structure. Their results indicate that males and females' wages have different processes of determination. In addition, they concluded that men's wages are mostly affected by labor market structure (e.g., size of firm, capital intensity level, industry concentration level), whereas education is the main variable in the determination of females' wages.

Leme and Wajnman (2000) examined changes in the gender wage gap in Brazil between two cohorts, 1952 and 1962. They applied the Oaxaca decomposition methodology to Pesquisa Nacional de Amostra à Domicilio (PNAD) microdata for 1977 through 1997. In the first cohort, women earned 38% less than men, on average, in spite of the fact that the females had 1.5 more years of schooling than the males on average. In the next cohort, the gender wage gap had narrowed by 17% while the schooling gap did not change. According to their results, most of this decrease in gender wage differentials was a result of a reduction in discrimination against women in the labor market. They also showed that females who live outside the Southeast, working in any other sector than the agricultural and/or informal sectors, are more penalized by discrimination.[8]

In order to verify whether wage differentials differ across formal and informal sectors in Brazil, Kassouf (1998) estimated female and male wage equations for both sectors using PNAD data for 1989.[9] The results indicated that gender discrimination was

[8] The Southeast region includes São Paulo, Minas Gerais, Rio de Janeiro, and Espírito Santo. It is the richer and more populated region of Brazil.

[9] A polychotomous choice model was applied to correct for selection bias where individuals faced three different choices: not employed, employed in the formal sector, and employed in the informal sector.

present in both sectors (formal and informal) but that discrimination against women is higher in the informal sector.

Baptista (2000) studied gender wage differentials in the Brazilian labor market using PNAD microdata for 1996. The findings are similar to previous studies regarding the size and existence of gender discrimination in Brazil. However, the fact that this study uses samples of married men, married women, single men, and single women allowed comparison of the gender wage gap for married and single individuals separately. According to the results presented, it seems that married females are penalized more in the labor market than single females.

The end of the 1980s and the 1990s was marked by macroeconomics changes (positive and negative) and trade and financial reforms that resulted in a huge openness of the Brazilian economy. For these reasons, Arabsheibani, Carneiro, and Henley (2003) analyzed whether changes in the Brazilian economy were also responsible for the narrowing of the gender wage gap in Brazil over the period of 1988 to 1998. Using PNAD microdata from 1988 to 1998, they decomposed the decrease in the gender wage gap into changes in gender-specific characteristics, changes in observed prices, changes in men and women's wage positions, and changes in unobserved prices using Juhn, Murphy, and Pierce (1991) methodology. Their results showed that the decrease in gender discrimination was the main force behind the decline of the gender wage gap during this period. Moreover, they pointed out that changes in wage dispersion, relative improvements on human capital, and an increase in skills' prices contributed to a great female-male wage ratio, although in a smaller scale than changes in gender discrimination.

Our study contributes to the literature in three points. First, the changes in maternity leave policy in Brazil allow us to study how females' labor market outcomes were affected in cases where there was a direct increase in the costs to employers but no additional benefit conceded to working women. Second, we introduce females working in the public sector as a control group for females working in the public sector. Third, this is the first to study whether the main stylized facts of changes in maternity leave policy holds in a Latin American country.

THEORETICAL FRAMEWORK

This chapter intends to discuss the consequences of the changes in maternity leave policy using the traditional supply and demand model.

In the absence of a maternity leave law, a working pregnant woman has two options: to return to her current job right after giving birth with no change in her wages or to quit her job in order to spend time taking care of her infant. In the latter case, she incurs additional costs beyond her current wages and faces lower wages as a result of the deprecation of her human capital when she decides to return.

Maternity leave gives a working woman the right to leave her job for a certain time. Female workers who desire to have a child value the maternity leave benefit since it permits them to leave work for a certain period of time and return to the same position and wage after they have given birth; therefore, they are willing to accept lower wages in exchange for a maternity leave benefit, *ceteris paribus*. As a consequence, the introduction of a maternity leave policy (paid or unpaid) or an increase in the benefits of maternity shifts rightward fertile women's labor supply. The extent of the impact on the female labor supply depends on the duration of the leave and the amount of maternity leave benefit conceded.

On the other hand, a mandated maternity leave, paid or unpaid, increases costs to employers since firms usually must contract and provide training to a temporary worker or even pay overtime hours to other employees in order to compensate for the absence of the worker on maternity leave. As a result, a negative impact is expected on fertile females' labor demand, shifting their labor demand leftward.

Another important variable is whether the maternity leave is paid by social security, the employer, or both. In cases where employers are also responsible for paying wages during the maternity leave, the employers' burden increases. As result, the female labor demand shift should be larger compared to scenarios where maternity leave is not paid by employers.

As mentioned earlier, the Brazilian Constitution's Amendment nº 20 of December 1998 did not change the length of the maternity leave benefit, but it did establish that the employer must make up the difference between regular pay and social security payments (limited to R$ 1,200) during a leave of 120 days. Thus, this new policy has an effect only on the demand side since the cost to the employer has risen but females' benefits have not changed.

Figure 2: Effect of change in maternity leave of December 1998 on females' wages and employment assuming perfect competition market.

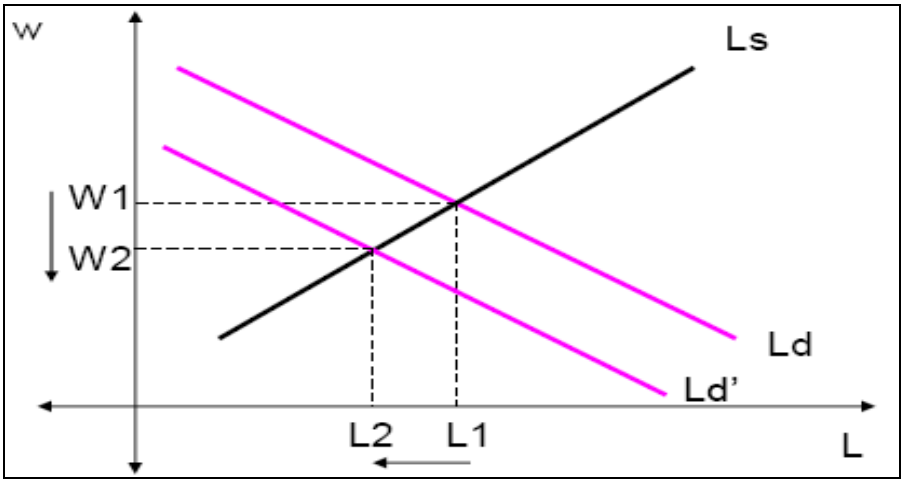
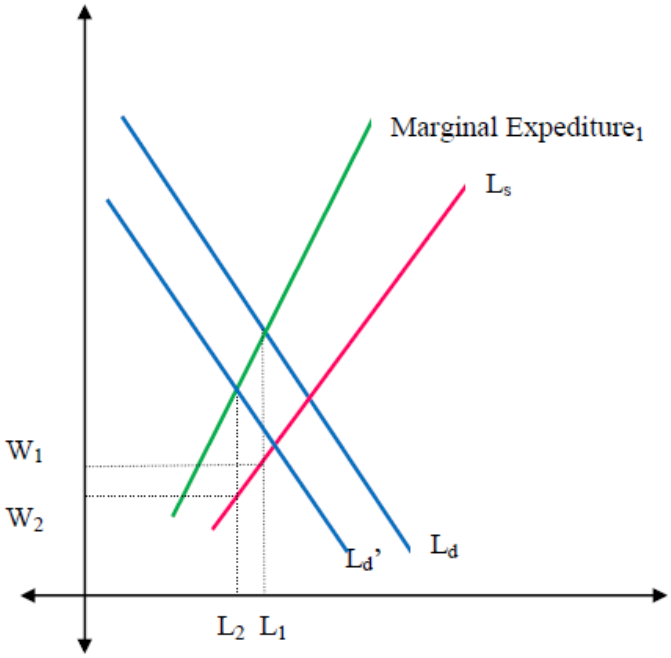


Figure 2 shows how the ceiling on maternity leave benefits paid by INSS should affect females' wages and employment assuming perfect competition in the markets, product, and factor. The horizontal axis represents females' employment, and vertical

axis the females' wages. The females' labor demand and labor supply are represented by Ld and Ls, respectively. As illustrated, the limited imposed on maternity leave benefit increased the cost to contract females, and, consequently Ld shift to the left causing an decrease on females' wages and employment.

On the other hand, we can ignore the fact that there are other models that can explain this dynamic. For instance, monopsony, a model used previously to explain how an increase in minimum wage could positively affect employment, leads to a similar result under perfect competition assumption, as can be seen in Figure 3. The supply curve is represented by the Ls curve and Ld represents the value of marginal product. The ceiling imposed on the maternity leave benefit paid by social security increases the costs to the employer, causing a shift of the demand curve to the left. Consequently, females' employment and wages decrease, *ceteris paribus*.

Figure 3: Effect of change in maternity leave of December 1998 on females' wages and employment assuming a monopsony market.



EMPIRICAL MODEL

Employment Equation

An individual makes his/her labor supply decision by maximizing his/her utility subject to his/her budget constraint, which is conditional on his/her hourly wage.

Let Y^* be a latent variable determined by:

$$Y_i^* = X_i\beta + \varepsilon_i \qquad (1)$$

where X_i is a vector of explanatory variables affecting labor supply of individual i, β is a vector of coefficients, and ε_i is a random error. ε_i is assumed to be independent of X_i and follows a standard normal distribution. However, we only observe whether a person is employed or not, so Y^* is not observable.

That is,

$Y_i^* > 0$ if individual i is employed and $Y_i = 1$;

$Y_i^* \leq 0$ if individual i is not employed and $Y_i = 0$.

From (1), we can derive:

$$P(Y=1|X_i) = P(Y_i^* > 0|X_i) = P(\varepsilon_i > -X_i\beta \mid X_i)$$

$$= 1 - \Phi(-X_i\beta) = \Phi(X_i\beta) \qquad (2)$$

$$P(Y=0|X_i) = P(Y_i^* \leq 0|X_i) = P(\varepsilon_i \leq -X_i\beta \mid X_i)$$

$$= 1 - \Phi(X_i\beta) \qquad (3)$$

where $\Phi(.)$ represents the standard normal cumulative distribution function.

Combining (2) and (3), we have the density function of Y_i given X_i:

$$F(Y|X_i) = [\Phi(X_i\beta_i)]^Y [1 - \Phi(X_i\beta)]^{1-Y} \text{ for } Y=0,1 \quad (4)$$

The likelihood function can be written as:

$$L = \prod_{i=1}^{n} = [\Phi(X_i\beta_i)]^{Y_i} [1 - \Phi(X_i\beta)]^{1-Y_i} \quad (5)$$

The estimates of β_i can be found by taking the log of equation (6) and derivate it with respect to X_i.

Hourly Wage Equation

The hourly wage equation can be written as:

$$w_i = X_i\theta + \varepsilon_i \quad (6)$$

where w_i is the hourly wage of individual i, X_i is a vector of independent variable that affects hourly wage, θ is a vector of coefficients, and ε_i is a random error that contains unobserved characteristics of individual i. ε_i is assumed to be independent of X_i and follows a standard normal distribution.

The fact that we only observe hourly wages for those individuals who are employed at the time of the interview may lead to bias due to sample selection. This bias can be corrected using the procedure proposed by Heckman (1979), which is implemented in two steps. First, we estimate the employment equation as shown in the previous subsection and obtain the inverse Mills' ratio (λ_i). Second, we include λ_i as a regressor in Equation 6 in order to correct for sample selection bias, as can be seen in Equation 7:

$$w_i = X_i\theta + \mu\lambda_i + \varepsilon_i \quad (7)$$

where w_i is the hourly wage of individual i, X_i is a vector of independent variable that affects hourly wage, θ is a vector of coefficients, ε_i is a random error that contains unobserved characteristics of individual i, and λ_i is the inverse-Mills ratio. ε_i is assumed to be independent of X_i and follows a standard normal distribution.

Identification

To indentify the impact of the changes in maternity leave policy on females' earnings and employment, one could simply add an *after policy* dummy variable in the mincerian wage equation for females, as shown in Equation 8. Nevertheless, the coefficient δ_1 fails to capture the net effect of the changes in maternity leave law on females' observed labor market outcomes (y_i) because it also reflects the effect of any other change (positive or negative) in the economy and/or labor market during the period after the change in maternity leave policy.

$$y_i = \alpha + \beta X_i + \delta_1 \text{After\_Policy}_i + \varepsilon_i \quad (8)$$

where y_i represents the log of earnings in the main job for individual i or a dummy variable equal to 1 if individual i is employed and 0 otherwise, X_i is a vector of demographic variables, After_Policy_i is a dummy variable equal to 1 if individual i was surveyed after the change in policy, and ε_i is the error term. ε_i is assumed to be independent of X_i and follows a standard normal distribution.

In order to control for any other change in the economy and/or in the labor market, the difference-in-difference (DID) method can be applied.. This method requires the existence of one demographic group affected by the change (the treatment group) and

at least one group not directly affected (the control group). Not being affected by a change in policy is not the only requisite for the control group. Most importantly, the control group should also have characteristics similar to the treatment group before the change in policy, and the composition of treatment and control groups should be stable before and after the change in policy. In sum, the control group is used to control for systematic changes (i.e., macroeconomic changes and labor market legislation changes) in the treatment group.

Besides the fact that DID is simple and intuitive (Cameron and Trivedi, 2005), the use of this method to analyze the effects of an exogenous event in a specific group has some advantages. For instance, it eliminates problems caused by omitted variables, mismeasurement, endogeneity, and attrition (Meyer, 1995). On the other hand, the major limitation of this method is to find a control group that is comparable to the treatment group to avoid the problem of omitted interactions. In other words, changes in laws and in economy usually do not affect all groups similarly (Meyer, 1995). Another limitation is the difficultly in generalizing the results found using DID to groups other than the treatment group (Meyer, 1995).

The use of the DID method is sensible in the context of this study since both the limit imposed on a maternity leave benefit paid by Brazilian Social Security Service and the transfer of responsibility to the employer to pay the remaining wages constitute exogenous events. In other words, the decision of imposing a limit on the benefits paid by Brazilian Social Security Service, including the maternity leave benefit, had the objective of avoiding a future crisis in the Brazilian Social Security System. Due to bad administration of the resources in the past and the aging of the population, Brazilian

Social Security Service must be reformed and payments of benefits should be restructured.

As mentioned previously, the DID method requires the existence of one demographic group affected by the change (the treatment group) and at least one group not directly affected (the control group). In this paper, it is assumed that young females have a high probability of giving birth and, consequently, taking maternity leave. For this reason, they are considered the treatment group. On the other side, young males are not affected by changes in maternity leave policy, and older females are supposedly not affected by a change in maternity leave policy since they have a low probability of having a child. In addition, females working in the public sector are supposedly not affected by these changes in policy since the law against discrimination in the labor market is highly enforced. Thus, these groups are used as control groups for the treatment group of the young females.

Although most of the studies of the effects of a change in maternity leave policy use young males or males as a control group for young females or females, one may argue that they are not a good group due to the fact that their labor market outcomes do not share similar past patterns. A similar argument can be applied to the use of older females as a control group—they are from a different cohort and their wage determinations are distinct. Even though the use of males and older females as control groups limits the interpretation of the findings of this study, we decided to keep them as control groups in order to compare with previous studies in the literature.

We also use females, young females, and older females working in the public sector as control groups for females, young females, and older females working in the

private sector. The main hypotheses underlying this choice is that females working in the public sector are supposedly not affected by any change in maternity leave since their wages cannot be differentiated according to their likelihood of having a child or any other kind of discrimination.

The impact of a change in maternity leave policy on young females' wages and employment is captured by the coefficient δ_3. Equation 9 is estimated both for females' outcomes and for different combinations of treatment and control groups. Equation 9 presents a simple linear regression specification:

$$Y_i = \alpha + \beta X_i + \delta_1 After\_Policy_i + \delta_2 Treatment1_i + \delta_3 After\_Policy*Treatment1_i + \varepsilon_i \quad (9)$$

where Y_i represents the log of earnings in the main job for individual i or a dummy variable equal to 1 if individual i is employed and 0 otherwise, X_i is a vector of demographic variables, $After\_Policy_i$ is a dummy variable equal to 1 if individual i was surveyed after the change in policy, $Treatment1_i$ is equal to 1 if individual i belongs to the treatment group and 0 otherwise, and ε_i is the error term. ε_i is assumed to be independent of X_i and follows a standard normal distribution.

DATA

Datasets

Two datasets are used in this research: Pesquisa Mensal de Emprego (PME) and Pesquisa Nacional por Amostra à Domicilio (PNAD). Both datasets are household surveys managed by the Instituto Brasileiro de Geografia e Estatística.[10] The main difference between the two datasets is that PME is conducted monthly in the six biggest cities in Brazil—São Paulo (SP), Rio de Janeiro (RJ), Belo Horizonte (BH), Salvador (SA), Recife (RE), and Porto Alegre (POA)—while PNAD is conducted annually, except during Census' year, in all 27 states in Brazil.

PME has some advantages compared to PNAD. Its main advantage is that PME consists of rotating panel data. In other words, each individual is interviewed during four consecutive months (e.g., January 1996 to April 1996), stays out of the survey for the following eight months, and is interviewed again for an additional four months (e.g., January 1997 to April 1997). In addition, the fact that PME is conducted monthly permits us to more precisely control for the three changes in maternity leave policy that occurred from December 1998 to March 2003.

On the other hand, although PME provides most of the control variables usually included to estimate wage and employment equations, the survey does not offer a great number of control variables compared to PNAD (e.g., race and seniority). For this reason, in this study we also use PNAD data to estimate the effect of changes in maternity leave policy. The PNAD survey contains more information regarding individuals' personal and job

[10] Access to the survey is available at http://www.ibge.gov.br/english/ retrieved on November 25, 2008.

characteristics and is conducted in every Brazilian state. The main disadvantage however, for this study, is that PNAD is conducted annually and, therefore, does not allow precise study of every change in maternity leave policy.

Variable Definitions

PME[11]

This study examines the effect of the changes in maternity leave policy in two outcomes: employed and log of hourly wage. Employed is a dummy variable that takes the value of 1 when an individual is reported as being employed in the reference week and 0 otherwise. Two variables are used to calculate log of hourly wage: monthly earnings in the main job and number of hours usually worked per week in the main job.[12] Log of hourly wage is equal to monthly earnings in the main job divided by the number of hours usually worked per week multiplied by four.

Education is divided into six categories: 1) less than lower primary, 2) lower primary, 3) upper primary, 4) secondary, 5) college, and 6) graduate school. Lower primary represents four to seven years of schooling. Upper primary constitutes eight to ten years of schooling. Secondary level is usually completed in eleven years. Finally, college and graduate school show college and master's or doctorate degrees completed, respectively.

[11] For detailed information regarding each variable used in this study, see Appendix A.
[12] The survey offers two alternative measures for earnings: earnings in the main job and earnings in others jobs. However, for this study we used the monthly earnings in the main job only.

The PME questionnaire does not include any information about years of experience, potential experience, or seniority in the current job; [13] therefore, we use age minus years of education minus 6 as a proxy for years of experience. Experience squared is also incorporated in the estimations to allow for a nonlinear relationship between experience and wages.

The PME includes job occupations, which are divided into five categories: industry, construction, commerce, service, and other sectors. We control for differences in job sectors by including four sector dummy variables (industry, construction, commerce, and service) in the estimation of wage equation. We also include dummy variables for metropolitan cities and for years.

PNAD[14]

Employed and log of hourly wage are defined in the same way as they are when using the PME. As mentioned previously, the PNAD has more information regarding personal and job characteristics. Thus, we are able to control for race dummies, seniority at current job, and a binary indicator for urban residency.

Although the PNAD does not offer information regarding individuals' job experience, this dataset includes number of years and/or months that an individual has worked at his/her current job and his/her seniority at the current job. To control for potential experience and career interruptions, we incorporate seniority at the current job in our estimations using the PNAD dataset.

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[13] In general, Brazilian household surveys do not contain information about years of experience. However, seniority in the current job is available in the PNAD survey.

[14] For detailed information regarding each variable used in this study, refer to Appendix B.

The PNAD also provides more detailed information for education. We include three variables in our study: years of schooling (which varies from 0 to 15 years) plus a binary indicator for college and graduate school. We also have information for individuals' races. We include binary indicators for black, mixed (Pardo), Asian, and native;[15] the binary indicator for white is omitted. We also add binary variables for metropolitan cities and for years when the individual was surveyed.

The PNAD also provides information regarding females' fertility. We can calculate how many children each female had and also the year the last child was born. These variables are used in the employment equation only. According to the traditional theory, number of children and year the last child was born affects females' labor supply decisions and weekly hours worked.

Policy Changes

After a period of turbulence during the 1980s, different reforms were pursued to promote growth and stabilize the economy in Brazil. The Reform on the Social Security System was one of these reforms, and its main purpose was to prevent a bankruptcy of the system in the future. The ability to pay benefits was compromised not only because of misuse of funds in the past but also because the pension system was set in such a way that its financing was not viable in the long run.

In order to reduce the volume of payments paid by INSS (Brazilian Social Security), a ceiling of R$ 1,200[16] was imposed on every benefit[17] paid by the INSS on

[15] Pardo is a classification that encompasses individuals of mixed race.
[16] US$ 1.00 = R$1.58 on July 26, 2008; US$ 1.00 = R$1.21 in December 1998. Source: Brazilian Central Bank (retrieved on July 25, 2008 from http://www.bcb.gov.br/).

December 1998.[18] Consequently, employers became responsible for paying the remaining wages to women receiving wages above this ceiling. According to the traditional labor demand/supply theory, this change in maternity leave policy is expected to decrease the demand for female workers because it would increase costs to their employers.

One month later, in January 1999, a lawsuit was filed at the Supremo Tribunal Federal (Supreme Court) arguing that the ceiling was unconstitutional because the new law might discriminate against women in the labor market. In May 1999, the Supremo Tribunal Federal temporarily suspended the limit on the maternity leave benefit. The limit was permanently cancelled only four years later, in March 2003.

The period from December 1998 to March 2003 allows us to analyze females' labor market outcomes from the perspective of two different policy changes. From December 1998 to May 1999, we can study the effects of the limit imposed on maternity leave benefits paid by the INSS and the transference of responsibility of paying the remaining wage to employers on females' employment and earnings. Although the period of five months may be considered too short to analyze the effects of this change, the temporary suspension of this ceiling lasted for about four years. Therefore, we can also verify whether females' employment and earnings continued to be affected based on the fact that employers were uncertain regarding the Supremo's final decision. In addition, we can also examine whether their wages and employment increased after this limit was finally cancelled in March 2003.

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[17] INSS-paid benefits include retirement, maternity leave, disability, and so on.
[18] Amendment nº 20 (artº 14) included in the Constitution imposed this ceiling.

Policy Changes Variable Definitions

PME

The PME survey allows us to study all of the three changes in maternity leave policy that occurred from December 1998 to March 2003. First, we analyze the limit imposed on the maternity leave benefit paid by the INSS, which passes the responsibility of paying the remaining wages during the leave to employers. This policy change is labeled Policy 1. Policy 2A comprises the months from June 1999 to December 2000 when the ceiling on maternity leave paid by the INSS was temporarily suspended while the merit of the cause was being considered by the Supremo.[19] Policy 2B represents the period after the limit on the maternity leave benefit was imposed until it was permanently suspended. Policy 3 covers the period after the change in the maternity leave law of December 1998 was permanently revoked.

Table 1: Policy Change Variables: Definitions Using PME Survey

Dummy Variable	**Definition**
Policy 1	= 1 if individual i was surveyed from January 1999 to May 1999
	= 0 if individual i was surveyed from January 1996 to June 1998[20]
Policy 2A	= 1 if individual i was surveyed from June 1999 to December 2000
	= 0 if individual i was surveyed from January 1996 to June 1998
Policy 2B	= 1 if individual i was surveyed from 1999 to 2002
	= 0 if individual i was surveyed from 1996 to 1998
Policy 3	= 1 if individual i was surveyed from May 2003 to December 2006
	= 0 if individual i was surveyed from January 1996 to June 1998

[19] We assume that employers might not have changed their decisions until the unconstitutionality of the ceiling on maternity leave paid by the INSS was ultimately judged and cancelled in March 2003.
[20] Considering that some employers might have anticipated this change in policy, we exclude the period from July 1998 to December 1998 from our analysis.

Table 1 presents a summary of the definitions for the four policy dummy variables. In particular, the period from January 1996 to June 1998 was standardized as *before policy changes* for Policy 1, Policy 2A, Policy 2B, and Policy 3. This procedure was adopted in order to make easier the comparison of the results for every change in policy.

PNAD

The PNAD survey does not permit us to study Policies 1 and 2B separately since it is an annual survey and the transition from Policy 1 to Policy 2B occurred in middle of 1999. Unfortunately, we are also not able to study the effect of the permanent cancelation of the ceiling on the maternity leave benefit paid because PNAD data for 2005 and 2006 was not available at the time we started this present work. Table 2 shows how Policy 2B is specified for PNAD.

Table 2: Policy Change Variables: Definitions Using PNAD Survey

Dummy Variable	**Definition**
Policy 2B	= 1 if individual i was surveyed from 1999 to 2002 = 0 if individual i was surveyed from 1996 to 1998

Samples Construction

This paper uses the PME survey conducted from January 1996 to Dec 2006 and the PNAD survey conducted from 1996 to 2000 and 2002.[21] The sample is initially filtered to include only individuals aged between 20 and 65 years who have no missing information for any of the dependent or explanatory variables.

[21] Data for 2001 is excluded since CENSUS was conducted instead of PNAD that year.

Table 3: Samples: Treatment and Control Groups Using the PME and PNAD Surveys

PME	**PNAD**
Treatment Group: Young Females – aged between 20 and 40 years *Control Groups:* 1) Young Males – aged between 20 and 40 years 2) Older Females – older than 40 years	*Treatment Group:* Young Females – aged between 20 and 40 years *Control Groups:* 1) Young Males – aged between 20 and 40 years 2) Older Females – older than 40 years
	Treatment Group: Females working in the private sector – aged between 20 and 65 *Control Group:* Females working in the public sector – aged 20 and 65 years
	Treatment Group: Young Females – with infants *Control Groups:* 1) Young Males – aged between 20 and 40 years2) Older Females – older than 40 years

To construct the wage equation, we focus only on individuals meeting the following criteria. First, the individual must work in the formal sector, excluding employers and self-employed individuals. Second, the individual must earn at least R$ 1.00 per hour and not more than R$ 250.00 per hour.

Using the PNAD survey, we also exclude those individuals whose age minus seniority at the current job is less than 14 years, which is the minimum age required for anyone to work.[22] We also exclude females who had more than 20 children and those

[22] We also found some individuals whose seniority years are greater than their years of age. This is indicative of measurement error either from the interviewer's side or from the interviewee's side. Therefore, we also exclude these from our sample.

who gave birth to their last child when they were younger than 10 years old since it could be an indicative of error.

Descriptive Statistics

This section discusses descriptive statistics for young females, young males, older females, females working in the private sector, and females working in the public sector used in our estimation of the employment and wage equations. Full tables can be found in Appendix B.

PME

Tables B1 through B5 in Appendix B present descriptive statistics for employed individuals who have hourly wages between R$ 1 and R$ 250 in the formal sector. As illustrated in the tables, young males are more likely to be head of household (60%) than young females (23%) and older females (43%). From 1996 to 1998, young male workers were concentrated in industry (33%) and service (44%) occupations while young females were mainly in service (59%), industry (20%), and commerce (17%) occupations. In contrast, older females are predominantly in service (70%) occupations. During 1999 and 2002, young males, young females, and older females intensified their participation in service occupations by 8%, 3%, and 3%, respectively. Nevertheless, the service sector narrowed after 2003, causing a reduction of young males', young females', and older females' participation by approximately 2%, 5%, and 10%, respectively.

Table 4 displays the average of hourly wages and hours of work per week for young males, young females, and older females before and after the changes in maternity leave policy. Young females earn less than young males and older females, on average, in

every period. However, the gender wage gap for young females narrowed over these periods. As expected, young males work more hours per week than young females; however, the hours gap has been reducing since 1996.

Table 4: PME: Summary for Average of Hourly Wage and Hours Worked per Week

Period	Young Males		Young Females		Older Females	
	Hourly Wage	**Hours per Week**	**Hourly Wage**	**Hours per Week**	**Hourly Wage**	**Hours per Week**
Before Policy	3.969	43.253	3.446	39.987	4.351	39.25
After Policy1	4.002	43.066	3.608	40.213	4.355	39.577
After Policy2B	4.057	43.711	3.738	40.758	4.675	39.929
After Policy3	4.942	44.301	4.733	41.767	6.45	40.859

PNAD

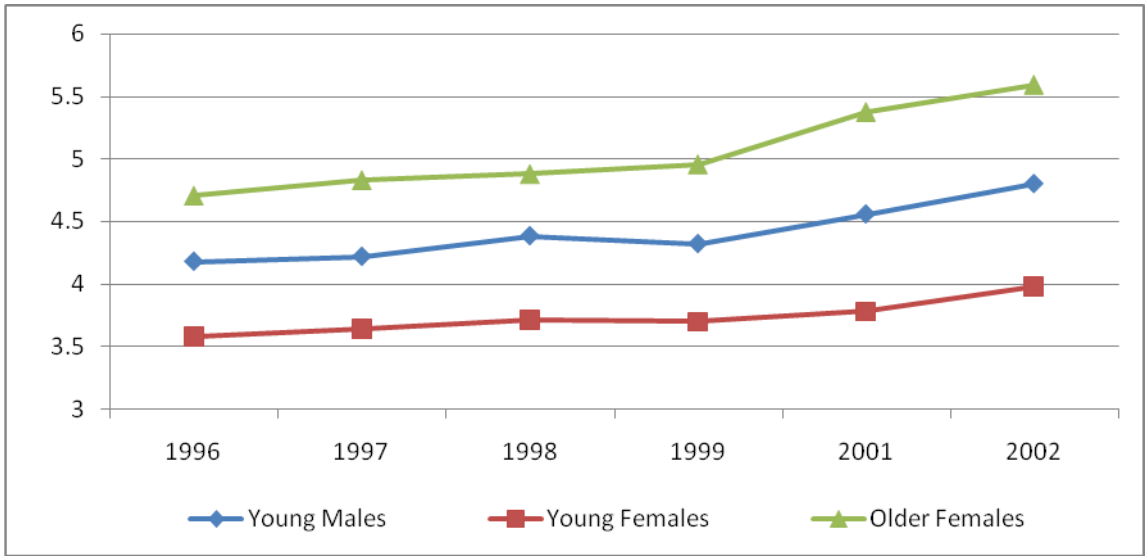
Table 5 presents descriptive statistics for the control and treatment groups before and after the limit on maternity leave benefit paid by Brazilian social security was established. Table 5 shows that hourly wages of young males, young females, and older females increased by 4.22%, 5.07%, and 11.09%, respectively. However, young females continued with the lowest hourly wages, on average, compared to the other two groups. Young females and older females worked similar numbers of hours per week before and after the change in policy, and young males worked approximately 6 hours more than young females. Before the change in policy, young females and older females were mainly concentrated in services occupations—67% and 80% respectively. Their participation in service occupations reduced during the period after the change in policy. Indeed, it seems that females mostly migrated to transportation and communication occupations.

Table 5: Descriptive Statistics—Before and After Change in Maternity Leave Policy

Variable	Young Males		Young Females		Older Females	
	Before Policy	**After Policy**	**Before Policy**	**After Policy**	**Before Policy**	**After Policy**
Hourly Wages	3.711	3.868	3.644	3.829	4.809	5.342
Hours Worked per week	44.314	44.443	37.836	38.626	36.442	37.117
Seniority	4.497	4.220	4.736	4.306	11.516	11.330
Transportation & Communication	8.86%	13.48%	2.26%	8.96%	2.00%	10.13%
Industry	37.80%	36.39%	16.17%	16.28%	11.54%	11.50%
Commerce	14.43%	17.38%	15.06%	16.95%	6.25%	6.90%
Service	38.91%	32.75%	66.51%	57.81%	80.21%	71.47%
Urban	93.73%	94.82%	94.68%	95.16%	95.42%	95.18%
Head of Household	67.07%	64.51%	20.53%	21.55%	37.99%	38.83%
Observations	62,609	73,697	37,549	48,119	14,424	20,036

Figure 4 shows hourly wages for young males, young females, and older females for the period from 1996 to 2002. As can be seen, young females earned less per hour than young males and older females, on average. Before the changes in maternity leave policy, from 1996–2002, hourly wages of older females and young females exhibited similar trends, while young males presented a higher growth of hourly wages in 1997. After the introduction of the limit on the maternity leave benefit in December 1998, we notice that older females' hourly wages increased in higher rates than those of young females did, which suggests that young females were more affected by this change in maternity leave policy. Young males' hourly wages grew more than young females' except in 1999, when their hourly wages decreased by 1.44%.

Figure 4: Averages of Hourly Wages, 1996–2002

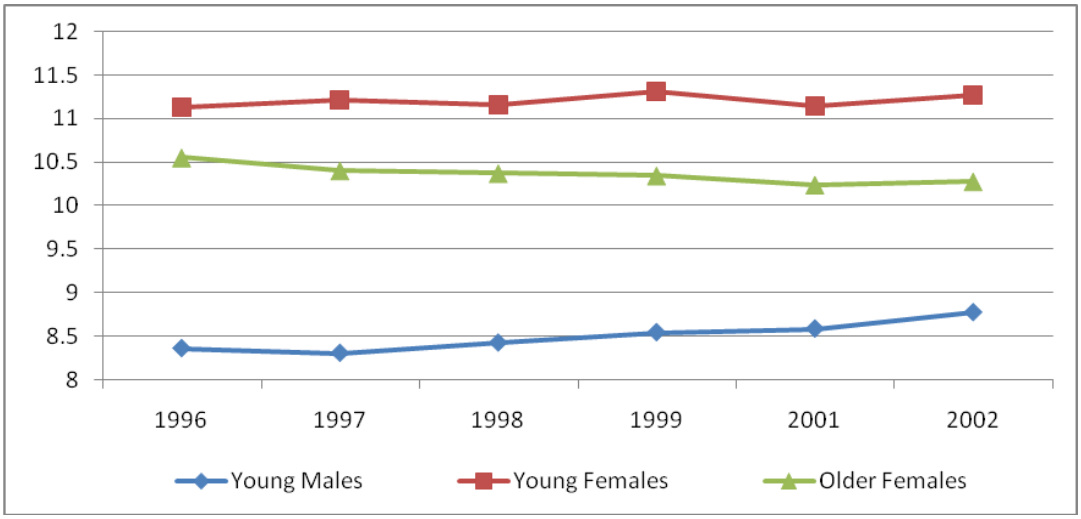


Source: PNAD

The average years of schooling for young males, young females, and older females from 1996 through 2002 are displayed in Figure 5. As can be seen from the figure, young females have more years of schooling than young males and older females. Although young females' years of schooling have not changed much during these years, it seems that young males are still far from closing the schooling gap. Indeed, young males had 2.5 fewer years of schooling than young females in 2002. This sheds light on the fact that discrimination, experience, and occupation all play an important role to explain the gender gap in Brazil.

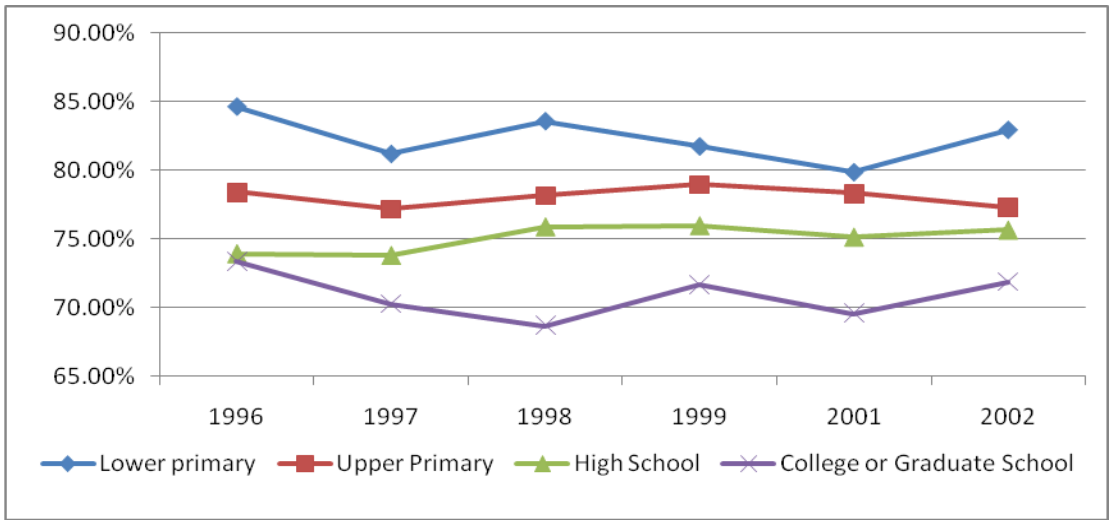
We also examine gender wage gap by levels of schooling from 1996 to 2002, as illustrated in Figure 6. As displayed, the gender wage gap rises as level of schooling increases. In other words, the gender wage gap for those who completed a master's or doctorate degree is the largest, while the gender wage gap is smaller for those who completed only lower primary (four years of schooling).

Figure 5: Averages of Years of Schooling, 1996–2002



Source: PNAD

Figure 6: Gender Wage Gap between Young Females and Young Males by Level of Schooling, 1996–2002

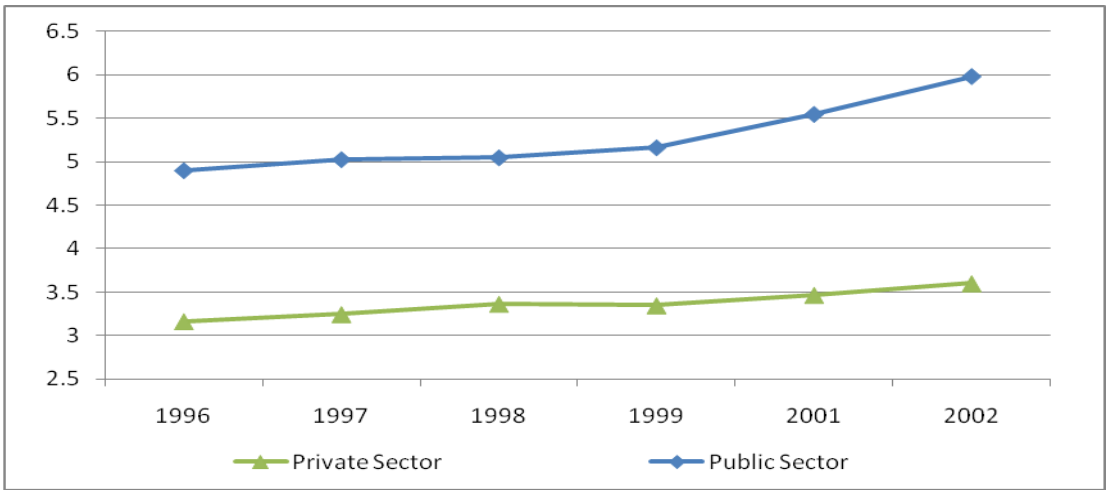


Source: PNAD

Figure 7 shows the average of hourly wages for females in the private sector and the public sector from 1996 to 2002. Young females working in the public sector earned more than young females in the private sector. From 1999 to 2002, young females in the

public sector presented higher rates of growth in their hourly wages compared to young females in the private sector.

Figure 7: Average of Hourly Wages for Young Females by Sector



In sum, the control groups have different characteristics compared to the treatment group (i.e., years of and level of education, job occupations, and labor force participation). However, these differences are controlled in our estimation. Although the treatment and control groups present similar trends before the changes in maternity leave policy (Figures 4 and 7), the fact that they face different levels of gender discrimination and engagement in the labor market is the limitation of this paper. This limitation could have been overcome if these changes in maternity leave policy occurred in some states before the federal law passed (Gruber, 1994; Waldfogel, 1999). Unfortunately, this is not the case.

RESULTS

This chapter presents the results for employment and hourly wage by control group. The coefficients on the effect of changes in maternity leave policy, their standard errors, and number of observations are in the text; full tables can be found in the Appendix C.

Older females as a Control Group for Young Females

Hourly Wages

As mentioned previously, we used different groups to capture the effects of the changes in maternity leave policy on young females' wages and employment. The first control group is composed of older females between 41 and 65 years old.

Table 10 presents the results for the estimation of the effect of changes in maternity leave policy on young females' hourly wages using older females as a control group. Similar to our previous estimations, Heckman's correction is applied and the correction function is statistically significant in every equation.

The first column shows the results for the policy changes using the PME dataset. The maternity leave policy changes of December 1998 and May 1999 had positive but small effects on young females' hourly wages; however, they are not statistically significant. Policy 2A was found to negatively affect young females—at first young females' hourly wages might not be affected, but in the following year they decrease by 1.4% compared to older females' hourly wages. This result is consistent with the theory under the assumption that wages are usually bound by contracts or agreements and, therefore, usually take time to be adjusted. On the other hand, the coefficient of Policy 2B

is positive, suggesting that young females' hourly wages recovered in the second year, when the limit on maternity leave benefits was temporally suspended. Not surprisingly, the permanent suspension of the limit on maternity leave benefits paid by Brazilian Social Security significantly increased young females' hourly wages by 3.7%.

Table 6: Older Females as a Control Group: The Effect of the Changes in Maternity Leave Policy on Young Females' Hourly Wages

Variable	**PME**	**PNAD**
	Policy 1	
Coefficients	0.001	
Robust Standard Errors	[0.005]	—
Number of Observations	171,290	
	Policy 2A	
Coefficients	–0.014	
Robust Standard Errors	[0.005]***	—
Number of Observations	255,222	
	Policy 2B	
Coefficients	0.009	–0.043
Robust Standard Errors	[0.005]**	[0.007]***
Number of Observations	315,323	120,128
	Policy 3	
Coefficients	0.037	
Robust Standard Errors	[0.004]***	—
Number of Observations	420,536	

*** p<0.01, ** p<0.05, * p<0.1

Table 10 also reports results for the effect of changes to the maternity leave policy on young females' hourly wages using older females as a control group and using the PNAD dataset (Column 2). The limit on maternity leave benefits and its temporary suspension (Policy 2B) had a negative and statistically significant impact on young females' hourly wages. In essence, young females' hourly wages decreased by 4.3% compared to older females' hourly wages. Similar to the findings using young males as a

control group, these effects found using the PNAD survey are bigger compared to those we found using the PME survey.

Table 7: Young Males as a Control Group: The Effect of the Changes in Maternity Leave Policy on young Females' Hourly Wages by Wage levels

Variables	PME			PNAD		
	w≤800	**w≤1,200**	**w≤1,600**	**w≤800**	**w≤1,200**	**w≤1,600**
	Policy 1					
Coefficients	–0.007	–0.002	0.000			
Robust Standard Errors	[0.007]	[0.007]	[0.008]		—	
Number of Observations	144,065	157,420	163,118			
	Policy 2A					
Coefficients	–0.014	–0.011	–0.011			
Robust Standard Errors	[0.004] ***	[0.004] **	[0.005] **		—	
Number of Observations	214,286	234,101	242,578			
	Policy 2B					
Coefficients	0.004	0.008	0.009	–0.031	–0.032	–0.035
Robust Standard Errors	[0.004]	[0.004] **	[0.004] **	[0.006] ***	[0.006] ***	[0.007] ***
Number of Observations	287,821	287,821	298,514	99,427	109,368	113,527
	Policy 3					
Coefficients	0.017	0.032	0.038			
Robust Standard Errors	[0.003] ***	[0.004] ***	[0.004] ***		—	
Number of Observations	322,554	364,651	383,338			

*** p<0.01, ** p<0.05, * p<0.1

Analyzing the effects of the changes in maternity leave policy on young females by their wage levels using the PME dataset, we found that the increase in the costs to employers had no instant effect on young females' hourly wages. However, we notice that this change negatively affected young females' hourly wages during the period when the ceiling was temporary suspended. In particular, the wages of young females who

Table 8: Older Females as a Control Group: The Effect of the Changes in Maternity Leave Policy on Females' Hourly Wages by Their Children's Ages

Variable	**PNAD**
	All females
Coefficients	–0.043
Robust Standard Errors	[0.007]***
Number of Observations	120,128
	Females without children
Coefficients	–0.030
Robust Standard Errors	[0.017]*
Number of Observations	43,882
	Females with a child—age≤1
Coefficients	–0.042
Robust Standard Errors	[0.014]***
Number of Observations	41,684
	Females with a child—age >1 and age≤2
Coefficients	–0.052
Robust Standard Errors	[0.017]***
Number of Observations	38,781
	Females with a child—age >2 and age≤6
Coefficients	–0.041
Robust Standard Errors	[0.010]***
Number of Observations	49,859
	Females with a child—age >6 and age≤10
Coefficients	–0.039
Robust Standard Errors	[0.012]***
Number of Observations	45,146

*** p<0.01, ** p<0.05, * p<0.1

earned R$ 800 or less reduced by 1.4% compared to older females. Although young females who earned R$ 800 seem to be more affected, the negative impact on these females was slightly bigger from what we found for young females who earned R$ 1,600 or less. We also observe that after the limit imposed on maternity leave benefits was permanently suspended, young females' hourly wages increased significantly more compared to older females' hourly wages for every hourly wage category. Comparing these findings to the results using the PNAD survey, we verify a different dynamic. In

fact, the impact on young females' hourly wages becomes slightly stronger as their wages increase.

Table 12 documents how the changes in maternity leave policy impacted young females according to ages of their children using older females as a control group. It was found that young females who have children between 1 and 2 years old were more negatively affected. In particular, their hourly wages decreased by 5.2% compared to older females, while young females without children had a negative impact of 2.2% less.

Employment

Table 13 shows the effect of the changes in maternity leave policy on young females' employment using older females as a control group. Policy 1 and Policy 2A coefficients indicate that policy changes decreased the probability of a young female being employed by 0.5 and 0.1 percentage points, respectively, while Policy 2B increased the probability of a young female being employed by 3 percentage points. However, these are not statistically significant at the level of 5%. Policy 3 showed a negative but smaller effect on young females' employment. In sum, young females' employment was lightly affected by the limit imposed on maternity leave benefits, and this persisted even after this change in maternity leave policy was permanently cancelled.

Our estimation using the PNAD dataset reveals that the probability of a young female being employed seems not to be different from the probability of older females being employed as a result of maternity leave policy changes. In addition, we also examined whether the changes in maternity leave policy had a positive impact on young females' employment in the public sector. Our results lead us to conclude that young

females' employment in the public sector did not change compared to older females' employment in the same sector.

Table 9: Older Females as a Control Group: The Effect of the Changes in Maternity Leave Policy on Young Females' Employment

Variables	PME	PNAD	
	Private and Public Sectors	Private and Public Sectors	Public Sector
		Policy 1	
Marginal Effects	0.005		
Robust Standard Errors	[0.003]*	—	
Number of Observations	1,018,352		
		Policy 2A	
Marginal Effects	0.001		
Robust Standard Errors	[0.002]	—	
Number of Observations	1,474,593		
		Policy 2B	
Marginal Effects	0.030	–0.011	-0.006
Robust Standard Errors	[0.002]*	[0.003]	[0.006]
Number of Observations	1,810,580	503,216	139,769
		Policy 3	
Marginal Effects	–0.001		
Robust Standard Errors	[0.001]		
Number of Observations	2,454,140		

*** p<0.01, ** p<0.05, * p<0.1

Females Working in the Public Sector as a Control Group for Females Working in the Private sector

Hourly Wages

Gender discrimination is usually not present or, at least, is reduced in the public sector. Furthermore, females working in the public sector should not be affected by any of these changes in maternity leave policy based on the fact that their wages, initial position, and employment cannot be decided according to their probability of them having a child and, consequently, taking maternity leave. Therefore, we also analyzed the

impact of the limit imposed on maternity leave benefits paid by Brazilian Social Security on females working in the private sector using females working in the public sector as a control group. As previously mentioned, the PME does not present any information regarding whether an individual works in the private or public sector. Hence, we used only the PNAD dataset for this estimation.

Table 10 : Females Working in the Public Sector as a Control Group: The Effect of the Changes in Maternity Leave Policy on the Hourly Wages of Females Working in the Private Sector

Variable	**PNAD**			
	Full Sample	**w<800**	**w≤1,200**	**w≤,600**
	Females			
Coefficients	–0.096	–0.086	–0.090	0.025
Robust Standard Errors	[0.007]***	[0.006]***	[0.006]***	[0.018]
Number of Observations	120,128	99,427	109,368	10,760
	Young Females			
Coefficients	–0.097	–0.087	–0.091	0.010
Robust Standard Errors	[0.008]***	[0.007]***	[0.007]***	[0.023]
Number of Observations	85,668	73,177	79,624	6,044
	Older Females			
Coefficients	–0.088	–0.079	–0.084	0.065
Robust Standard Errors	[0.013]***	[0.012]***	[0.012]***	[0.030]**
Number of Observations	31,200	23,807	26,919	4,281

*** p<0.01, ** p<0.05, * p<0.1

Table 14 shows the results of the effect of the changes in maternity leave policy on females' hourly wages for those working in the private sector using females working in the public sector as a control group. Similar to our previous estimations, the Heckman's correction was implemented to correct for sample selection bias; however, the correction term does not enter significantly in any of the equations. For these reasons, the results presented are not corrected for sample selection bias.

Our results suggest that hourly wages for females in the private sector were reduced by 9.8% compared to those of females working in the public sector after the change in maternity leave policy. Analyzing young and older females in the private sector separately, we also notice that the policy change had a negative impact on both groups, with young females being significantly more affected. To illustrate, young females' hourly wages in the private sector decreased by 9.7% while older females' hourly wages in the private sector decreased by 8.8%. Moreover, we also found that females who earned R$1,200 were more affected by these changes in maternity leave policy.

Young males as a control group for young females

As mentioned previously, men and women do not have similar trends in the labor market (e.g., labor force participation, gender discrimination, schooling gap, etc.), and demand and supply shocks may affect them differently. Consequently, young males should not be a suitable control group for young males. Despite of this fact, we also studied the effects of the changes maternity leave policy on females' labor market outcomes using young males as a control group.

Hourly Wages

We analyzed the impact of the changes in maternity leave policy from December 1998 to March 2003 using two household surveys, the PME and the PNAD. The variable of interest is the interaction of after policy and female dummy variables. While most papers that analyze the effects of maternity leave policy changes on females' wages do not correct for sample selection bias, except the paper by Baum (2003), we apply the traditional two-step procedure proposed by Heckman (1979) to account for possible sample selection bias. The results before correction are reported in Appendix C.

Even though our results are not significantly different from those without correction for sample selection, the correction function enters significantly at the 1% confidence level in the four cases estimated, suggesting a presence of sample selection bias.

Table 11: Young Males as a Control Group: The Effect of the Changes in Maternity Leave Policy on Young Females' Hourly Wages for All Young Females

Variable	**PME**	**PNAD**
	Policy 1	
Coefficients	0.010	
Robust Standard Errors	[0.005]**	—
Number of Observations	330,893	
	Policy 2A	
Coefficients	0.013	
Robust Standard Errors	[0.003]***	—
Number of Observations	479,824	
	Policy 2B	
Coefficients	0.025	0.033
Robust Standard Errors	[0.003]***	[0.005]***
Number of Observations	597,048	221,974
	Policy 3	
Coefficients	0.051***	
Robust Standard Errors	[0.003]	—
Number of Observations	788,190	

*** p<0.01, ** p<0.05, * p<0.1

Table 6 presents the effects of maternity leave policy changes using both datasets, PME and PNAD. Using the PME survey, our results indicate that the changes in maternity leave policy[23] positively affected young females' hourly wages. Young

[23] See Tables 1 and 2 for definitions of policy dummy variables used in our estimation.

females' hourly wages increased by about 1%, 1.3%, 2.5%, and 5.1% after Policy 1, 2A, 2B and 3, respectively, compared to young males' hourly wages (Table 6).

In addition, we also notice that the positive effects on young females' hourly wages increase over the periods analyzed. More specifically, young females' hourly wages increased by 5% compared to young males' hourly wages after the limit on the maternity leave benefit was permanently suspended, while their hourly wages increased by only half during whole period when this limit was imposed and temporally suspended by the Supremo. Therefore, the fact that young females' hourly wages did not decrease compared to young males does not necessary mean that young females were not affected. In fact, the maternity leave policy of December 2008 could have slowed down the gender gap narrowing by reducing young females' hourly wages growth.

As mentioned previously, the PNAD data does not allow us to study Policy 1 separately since it is an annual survey. As can be seen in the Policy 2B section 2 of Table 7, the effect of the limit on maternity leave benefits paid by social security was also positive. In particular, young females' hourly wages increased approximately 3% compared to young males' hourly wages. Comparing results from the PNAD and PME surveys, it can be seen that the effects are smaller using the PME survey rather than the PNAD survey. This may be due to the fact that the PNAD permits us to control for race and seniority at the current job and, therefore, the results using the PME survey could be underestimating the effects of changes in maternity leave policy on young females' hourly wages.

Table 12: Young Males as a Control Group: The Effects of the Changes in Maternity Leave Policy on Young Females' Hourly Wages by Wage Levels

Variable	PME			PNAD		
	w≤800	**w≤1,200**	**w≤1,600**	**w≤800**	**w≤1,200**	**w≤1,600**
			Policy 1			
Coefficients	–0.009	–0.005	0.002			
Robust Standard Errors	[0.004] **	[0.005] **	[0.005]		—	
Number of Observations	272,883	301,248	312,858			
			Policy 2A			
Coefficients	–0.009	–0.001	0.002			
Robust Standard Errors	[0.003] ***	[0.003]	[0.003]		—	
Number of Observations	396,865	437,039	453,773			
			Policy 2B			
Coefficients	0.001	0.005	0.009	0.025	0.029	0.032
Robust Standard Errors	[0.002]	[0.002] **	[0.003] ***	[0.004] ***	[0.004] ***	[0.004] ***
Number of Observations	491,843	542,589	563,505	185,485	203,776	210,894
			Policy 3			
Coefficients	0.029	0.022	0.023			
Robust Standard Errors	[0.002] ***	[0.002] ***	[0.002] ***		—	
Number of Observations	611,232	698,481	731,514			

*** p<0.01, ** p<0.05, * p<0.1

Analyzing these changes on maternity leave policy by wage levels, it seems that the ceiling imposed on maternity leave benefits paid by Brazilian Social Security, Policy 1, had a small but negative effect on young females who earn R$ 1,200 or less. On the other side, this negative effect does not persist after the temporary suspension of the ceiling. In addition, it can also be observed that young females' hourly wages increased considerably compared to young males after the ceiling imposed on maternity leave benefits was permanent cancelled, Policy 3.

The effect of the changes in maternity leave policy in relation to a female's child's age is documented in Table 8. According to the results, it seems that young females who have a child between 1 and 2 years old were more affected compared to the other young females. For instance, the hourly wages of females without children increased 3.5% compared to young males, while young females with a child between 6 and 10 years old had an increase of 4.1%.

Table 13: Young Males as a Control Group: The Effect of the Changes in Maternity Leave Policy on Females' Hourly Wage by Their Children's Ages

Variable	**PNAD**
	All females
Coefficients	0.033
Robust Standard Errors	[0.005]***
Number of Observations	221,974
	Females without children
Coefficients	0.035
Robust Standard Errors	[0.006] ***
Number of Observations	174,762
	Females with a child—age≤1
Coefficients	0.035
Robust Standard Errors	[0.013]***
Number of Observations	143,530
	Females with a child—age >1 and age≤2
Coefficients	0.034
Robust Standard Errors	[0.016]**
Number of Observations	140,627
	Females with a child—age >2 and age≤6
Coefficients	0.037
Robust Standard Errors	[0.009]***
Number of Observations	151,705
	Females with a child—age >6 and age≤10
Coefficients	0.041
Robust Standard Errors	[0.011]***
Number of Observations	146,992

*** p<0.01, ** p<0.05, * p<0.1

Employment

We also examined how the changes in maternity leave policy affected young females' employment. Table 9 presents the marginal effects for the estimation of the probability of being employed using a Probit model. Our results reveal that Policies 1, 2A, 2B, and 3 all had positive and statistically significant impact on young females' employment. In other words, Policies 1, 2A, 2B, and 3 increased the probability of a young female being employed by 4, 3.4, 4.6, and 7 percentage points, respectively. Similar to the hourly wages increase, the probability of a young female being employed increased, especially after the permanent suspension of the ceiling on maternity leave benefits paid by Brazilian Social Security.

Table 14: Young Males as a Control Group: The Effect of the Changes in Maternity Leave Policy on Young Females' Employment

Variables	**PME**	**PNAD**	
	Private and Public Sectors	**Private and Public Sectors**	**Public Sector**
		Policy 1	
Marginal Effects	0.040		
Robust Standard Errors	[0.002]***	—	
Number of Observations	1,134,643		
		Policy 2A	
Marginal Effects	0.034		
Robust Standard Errors	[0.002]***	—	
Number of Observations	1,631,169		
		Policy 2B	
Marginal Effects	0.046	0.031	0.001
Robust Standard Errors	[0.001]***	[0.002]***	[0.003]
Number of Observations	2,000,808	603,433	258,873
		Policy 3	
Marginal Effects	0.070		
Robust Standard Errors	[0.001]***	—	
Number of Observations	2,454,140		

*** p<0.01, ** p<0.05, * p<0.1

Using the PNAD dataset, Policy 2B caused promoted a decrease in the probability of young female being employed by 0.3 percentage points as compared to young males. However, this is not statistically significant.

Another interesting fact is that young females' employment in the public sector appears not to have been affected by the changes in maternity leave policy, a different result than expected. Due to the fact that females working in the public were not affected by any of these changes in maternity leave policy, we expected a significant migration of young females from the private sector to the public in order to avoid lower wages as result of costs transferred to employers in the private sector.

Discussion

One plausible explanation for the fact that the young females were positively affected is that young males, although are in the same age range, might not be a suitable control group for young females considering that their labor supply decisions and labor market outcomes have different trends. For instance, female labor force has been increasing dramatically over the last three decades, leading to positive supply. In addition, the fact that females are also more engaged in the labor market promoted not only an increase in their experience and labor market skills but also a reduction on gender discrimination leading to a positive shock on the demand for young females. This both positive supply and demand shocks are not controlled when we use young males as a control group giving us the false impression that young females benefited from the changes in maternity leave policy. For this reason, our results could indicate that the ceiling imposed on maternity leave benefits caused a slowdown in the growth of young females' hourly wage and employment.

On the other side, our findings using older females as a control group are partially consistent with the theory. Indeed, the limit imposed on the maternity leave benefits paid by Brazilian Social Security and the transfer of the responsibility of paying the remaining wages to employers negatively affected young females' hourly wages, and this negative effect persisted even when this change was temporally suspended. However, these changes in maternity leave policy did not have a significant effect on young female's employment. This scenario may be caused by a stronger increase in young females' labor supply than older females' labor supply.

In order to control for labor demand and supply shocks that affect different groups of workers, we used an alternative control group, females working in the public sector, under the assumption that they were not affected by these changes in maternity leave policy. Our results show that these changes had a negative impact on females working in the private sector. In addition, we found that young females working in the private sector were more affected than older females working in the private sector. These results are consistent with the theory since young females have a higher probability of having a child compared to older females.

CONCLUSIONS

In December 1998, a ceiling of R$ 1,200 was imposed on every maternity leave benefit paid by Brazilian Social Security and employers became responsible for paying the remaining wages for females receiving earnings above this ceiling. In May 1999, this ceiling was temporarily suspended for almost four years before it was finally judged and cancelled in March 2003.

The research presented in this dissertation examined the effects of the change to the maternity leave legislation in Brazil of December 1998, May 1999, and March 2003 on females' hourly wages and employment using the difference-in-difference estimator. The empirical analyses used two different household surveys: the Pesquisa Mensal de Emprego (PME) from 1996 to 2006 (2001 excluded) and the Pesquisa Nacional por Amostra à Domicilio (PNAD) from 1996 to 2002 (2000 excluded). Both surveys are conducted by the Instituto Brasileiro de Geografia e Estatística.[24]

The analyses used three treatment groups: 1) young females, aged 20 to 40 years, 2) young females working in the private sector, 3) older females, aged 41 to 65 years, working in the private sector, and 4) young females with infants. Young females were selected based on the fact that they have a higher probability of giving birth compared to older females and, consequently, using the maternity leave benefit. The second and third groups were supposedly the groups directly reached by these changes in maternity leave policy since earnings and employment in the public sector should not be based on an individual's gender and therefore discrimination may be absent or less prevalent there

[24] Available at www.ibge.gov.br/english/ retrieved on November 25, 2008

than in the private sector. We also include young females with infants as a treatment group since employers may use this information to infer the probability of a female having another child. We also propose four control groups: 1) older females aged between 41 and 65 years, 2) young females working in the public sector, 3) older females working in the public sector, and 4) young males.

Using older females as a control group for young females, we found that the limit imposed on the maternity leave benefit paid by Social Security did not affect young females' hourly wages initially. However, young females' hourly wages did decrease by 1.4% compared to older females' hourly wages from June 1999 to December 2000. After including 2002 in our estimations, our results indicate a possible recovery of this negative effect (–1.4%) on young females' hourly wages. After the permanent cancellation of the limit on maternity leave benefits, an increase of 3.7% on young females' hourly wages compared to older females' hourly wages was verified. Regarding the impact on employment, it seems that the changes in maternity leave policy did not significantly affect young females' employment.

In addition, we also used females working in the public sector as a control group for females working in the private sector, under the hypothesis that discrimination is less prevalent in the public sector than in the private sector. Our results suggest that females working in the private sector had their hourly wages reduced 9.6% compared to females working in the public sector as a result of the change in maternity policy of December 2008. Analyzing young and older females working in the private sector separately, we found that young females' hourly wages decreased 9.7% while older females' hourly wages were reduced 8.8%. The fact that young females were more penalized by the

changes in maternity leave policy is consistent with the theory that they have a higher probability of getting pregnant and consequently taking a maternity leave.

On the other hand, we found a positive impact of the changes in maternity leave policy on young females' wages and employment using young males as a control group. However, our results also suggest that this positive effect grew larger throughout the period analyzed, which could be an indication that young females' hourly wages grew faster than young males' wages after the temporary suspension of the limit on the maternity leave benefit paid by the INSS. Although our findings do not show a negative impact as predicted by theory, our findings could be explained by the fact that the increase in young females' commitment in the labor market may have led to a reduction of gender discrimination large enough to overcome the negative impact caused by the raise in the costs to employers in hiring young females. The fact that females and males present different trends in the labor market and, consequently, have different demand and supply shocks could be one explanation why the negative impact on females' labor market outcomes was not verified. Therefore, young males might not be a suitable control group for young females.

Overall, our results show that the limit imposed on maternity leave benefits paid by Social Security and the transfer of the responsibility of paying the remaining wages to employers negatively affected females' hourly wages, and this negative effect seems to have persisted even while the limit was temporarily suspended. Furthermore, young females were more affected by the change in policy than older females. These results lead us to think that these changes in maternity leave policy may have slowed the convergence

of females' wages toward males' wages or "forced" females to swim upstream during the period from May 1999 to March 2003.

This dissertation presents some limitations; the most important concern is about three control groups: 1) young males, 2) older females, and 3) females working in the private sector. As shown, these control groups have different characteristics compared to the treatment groups (i.e., education levels, job occupations, and labor force participation). However, these differences were controlled for in our estimation. Although the treatment and control groups present similar trends before the changes in maternity leave policy (Figures 4 and 7), the fact that they face different levels of gender discrimination and engagement in the labor market is the limitation of this paper. This could be overcome if these changes in maternity leave policy occurred in some states before the federal law was passed (Gruber, 1994; Waldfogel, 1999). Unfortunately, this was not the case of our study. In addition, some important variables were missing from the PME data, such as race and urban residence. The first two variables were present in the PNAD survey and were controlled for in our estimation using this survey. Although information for years of experience is not present in either survey, the PNAD presents a better potential experience estimation than age minus years of experience minus six. In particular, The PNAD has information for seniority in the current job. Second, the period when the limit on maternity leave benefits paid by Social Security was in effect was short (only five months); such a short period creates difficulty in analyzing this change on females' hourly wages and employment.

As far as hourly wages of females and gender discrimination are concerned, our results imply that policies that directly affect females in the labor market by increasing

the costs to employers while conceding no additional benefit to the female workers need to be carefully studied before they are implemented, because they can go against the polices that protect female workers and slow down the continuous improvement in the labor market.

APPENDIX A: VARIABLES DEFINITION

PME

Variable	Definition
Year	Year when individual i was interviewed
Month	Month when individual i was interviewed
UF	Metropolitan Region where individual i lives
Age	Age when individual i was interviewed
Female	=1 if individual i is female =0 otherwise
Headh	= 1 if individual i is head of household where he/she lives =0 otherwise
Lower Primary	= 1 if individual i has 1 to 4 years of schooling =0 otherwise
Upper Primary	= 1 if individual i has 5 to 8 years of schooling =0 otherwise
Secondary	= 1 if individual i has 9 to 11 years of schooling =0 otherwise
College	= 1 if individual i has a college degree =0 otherwise
Graduate School	= 1 if individual i has a master or doctorate degree =0 otherwise
Employed	= 1 if individual i has positive wage =0 otherwise
Industry	= 1 if individual i works in industry occupation =0 otherwise
Construction	= 1 if individual i works in construction occupation =0 otherwise
Commerce	= 1 if individual i works in commerce occupation =0 otherwise
Service	= 1 if individual i works in service occupation =0 otherwise
Other Sectors	= 1 if individual i works in any other occupation =0 otherwise
W	Monthly earnings in the main job
Hour	Number of hours worked per week
Hourlyw	W/(Hour*4)
Logw	Ln of W
Loghw	Ln of Hourly Wage
Experience	Age – years of schooling - 6

PNAD

Variable	Definition
Year	Year when individual i was interviewed
UF	State where individual i lives
Age	Age when individual i was interviewed
Female	=1 if individual i is female =0 otherwise
Headh	= 1 if individual i is head of household where he/she lives =0 otherwise
White	= 1 if individual i is white =0 otherwise
Black	= 1 if individual i is black =0 otherwise
Mixed	= 1 if individual i *pardo* =0 otherwise
Asian	= 1 if individual i is asian descendent =0 otherwise
Native	= 1 if individual i is Brazilian's native (Indian) =0 otherwise
Migrant	= 1 if individual i lives in a different where he/she was born =0 otherwise
Years of Schooling	Number of years of schooling individual i has completed
College	= 1 if individual i has a college degree =0 otherwise
Graduate School	= 1 if individual i has a master or doctorate degree =0 otherwise
Transp&Com	= 1 if individual i works in transportation or communication occupation =0 otherwise
Industry	= 1 if individual i works in industry occupation =0 otherwise
Commerce	= 1 if individual i works in commerce occupation =0 otherwise
Service	= 1 if individual i works in service occupation =0 otherwise
Employed	= 1 if individual i has positive wage =0 otherwise
Urban	= 1 if individual i lives in a urban area =0 otherwise

(end)

Variable	*Definition*
W	Monthly earnings in the main job
Hour	number of hours worked per week
Hourlyw	W/(Hour*4)
Logw	Ln of W
Loghw	Ln of Hourly Wage
Seniority	Number of years working at the current job
Number of Children	Individual i ‘s number of children This data is only available for females
Year Last Children	Year when the last children was born This data is only available for females

APPENDIX B: DESCRIPTIVE STATISTICS

PME

Table B1: Descriptive Statistics for Young Males, Young Females and Older Females before change in Maternity Leave Policy

Variable	Young Males				Young Females				Older Females			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Loghw	1.051	0.725	0	5.234	0.937	0.702	0	4.868	1.051	0.830	0	4.828
Exp	22.074	7.364	4	40	19.634	7.490	4	40	40.554	8.237	24	65
Exp squared	541.485	341.457	16	1600	441.596	324.660	16	1600	1712.497	695.271	576	4225
PE	0.099	0.299	0	1	0.086	0.280	0	1	0.091	0.288	0	1
BA	0.070	0.255	0	1	0.062	0.241	0	1	0.070	0.254	0	1
MG	0.186	0.389	0	1	0.159	0.366	0	1	0.131	0.337	0	1
RJ	0.181	0.385	0	1	0.181	0.385	0	1	0.196	0.397	0	1
RS	0.185	0.388	0	1	0.214	0.410	0	1	0.239	0.427	0	1
Lower primary	0.370	0.483	0	1	0.217	0.412	0	1	0.347	0.476	0	1
Upper primary	0.227	0.419	0	1	0.186	0.389	0	1	0.158	0.365	0	1
Secondary	0.281	0.449	0	1	0.423	0.494	0	1	0.132	0.338	0	1
College	0.078	0.269	0	1	0.149	0.356	0	1	0.184	0.388	0	1
Graduate School	0.002	0.042	0	1	0.002	0.049	0	1	0.006	0.075	0	1
Industry	0.325	0.468	0	1	0.201	0.401	0	1	0.161	0.367	0	1
Construction	0.058	0.234	0	1	0.011	0.105	0	1	0.008	0.090	0	1
Commerce	0.148	0.355	0	1	0.173	0.379	0	1	0.080	0.271	0	1
Service	0.444	0.497	0	1	0.589	0.492	0	1	0.704	0.457	0	1
Hour	43.253	7.062	1	98	39.987	7.668	1	98	39.250	8.232	2	98
Observations	174,662				106,677				37,349			

Table B2: Descriptive Statistics for Employed Young Males, Young Females and Older Females after Policy 1

Variable	Young Males				Young Females				Older Females			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Loghw	1.069	0.712	0	5.234	0.970	0.709	0	4.679	1.057	0.814	0	4.317
Exp	21.670	7.381	4	40	19.371	7.514	4	40	40.577	8.114	25	65
Exp squared	524.078	334.510	16	1600	431.694	319.879	16	1600	1712.299	688.426	625	4225
PE	0.098	0.297	0	1	0.085	0.279	0	1	0.074	0.262	0	1
BA	0.116	0.321	0	1	0.097	0.296	0	1	0.122	0.327	0	1
MG	0.215	0.411	0	1	0.198	0.399	0	1	0.177	0.381	0	1
RJ	0.162	0.368	0	1	0.156	0.363	0	1	0.172	0.378	0	1
RS	0.162	0.369	0	1	0.191	0.393	0	1	0.216	0.411	0	1
Lower primary	0.340	0.474	0	1	0.205	0.404	0	1	0.338	0.473	0	1
Upper primary	0.240	0.427	0	1	0.182	0.386	0	1	0.169	0.375	0	1
Secondary	0.313	0.464	0	1	0.453	0.498	0	1	0.155	0.362	0	1
College	0.074	0.263	0	1	0.142	0.349	0	1	0.158	0.365	0	1
Graduate School	0.001	0.037	0	1	0.003	0.056	0	1	0.007	0.086	0	1
Industry	0.297	0.457	0	1	0.179	0.384	0	1	0.128	0.334	0	1
Construction	0.058	0.233	0	1	0.011	0.105	0	1	0.008	0.088	0	1
Commerce	0.161	0.367	0	1	0.182	0.386	0	1	0.081	0.272	0	1
Service	0.462	0.499	0	1	0.606	0.489	0	1	0.739	0.439	0	1
Hour	43.066	7.398	3	98	40.213	7.769	1	98	39.577	8.325	2	98
Observations	29,627				19,927				7,337			

Table B3: Descriptive Statistics for employed Young Males, Young Females and Older Females after Policy 2A

Variable	Young Males				Young Females				Older Females			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Loghw	1.064	0.703	0	5.128	0.970	0.703	0	5.011	1.077	0.818	0	5.177
Exp	21.288	7.387	4	40	19.337	7.477	4	40	40.572	8.123	24	65
Exp squared	507.729	328.821	16	1600	429.839	315.767	16	1600	1712.046	687.265	576	4225
PE	0.101	0.302	0	1	0.088	0.284	0	1	0.089	0.285	0	1
BA	0.115	0.319	0	1	0.100	0.300	0	1	0.106	0.308	0	1
MG	0.222	0.415	0	1	0.213	0.409	0	1	0.173	0.378	0	1
RJ	0.153	0.360	0	1	0.155	0.362	0	1	0.176	0.381	0	1
RS	0.172	0.377	0	1	0.190	0.392	0	1	0.223	0.416	0	1
Lower primary	0.324	0.468	0	1	0.193	0.394	0	1	0.341	0.474	0	1
Upper primary	0.237	0.425	0	1	0.175	0.380	0	1	0.167	0.373	0	1
Secondary	0.339	0.473	0	1	0.469	0.499	0	1	0.169	0.374	0	1
College	0.074	0.262	0	1	0.146	0.353	0	1	0.163	0.369	0	1
Graduate School	0.003	0.055	0	1	0.005	0.067	0	1	0.007	0.082	0	1
Industry	0.295	0.456	0	1	0.172	0.378	0	1	0.133	0.339	0	1
Construction	0.054	0.226	0	1	0.011	0.104	0	1	0.006	0.079	0	1
Commerce	0.160	0.367	0	1	0.179	0.384	0	1	0.081	0.274	0	1
Service	0.467	0.499	0	1	0.615	0.487	0	1	0.734	0.442	0	1
Hour	43.259	7.339	2	98	40.375	7.725	2	98	39.527	8.407	1	98
Observations	118,128				80,357				30,839			

Table B4: Descriptive Statistics for employed Young Males, Young Females and Older Females after Policy 2B

Variable	Young Males				Young Females				Older Females			
	Mean	Std. Dev.	Min	Max	Mean	Std. Dev.	Min	Max	Mean	Std. Dev.	Min	Max
Loghw	1.081	0.702	0	5.234	1.004	0.706	0	5.011	1.457	0.825	0	5.298
Exp	21.157	7.467	4	40	19.043	7.466	3	40	38.703	7.650	24	65
Exp squared	503.369	331.566	16	1600	418.377	313.160	9	1600	1556.468	629.778	576	4225
PE	0.104	0.305	0	1	0.091	0.287	0	1	0.087	0.281	0	1
BA	0.109	0.312	0	1	0.100	0.300	0	1	0.112	0.316	0	1
MG	0.218	0.413	0	1	0.209	0.407	0	1	0.168	0.374	0	1
RJ	0.155	0.362	0	1	0.156	0.363	0	1	0.179	0.384	0	1
RS	0.158	0.365	0	1	0.177	0.382	0	1	0.165	0.372	0	1
Lower primary	0.295	0.456	0	1	0.168	0.374	0	1	0.217	0.413	0	1
Upper primary	0.236	0.425	0	1	0.169	0.374	0	1	0.160	0.366	0	1
Secondary	0.355	0.479	0	1	0.500	0.500	0	1	0.345	0.475	0	1
College	0.073	0.260	0	1	0.143	0.350	0	1	0.197	0.398	0	1
Graduate School	0.003	0.055	0	1	0.004	0.066	0	1	0.008	0.091	0	1
Industry	0.288	0.453	0	1	0.180	0.384	0	1	0.164	0.370	0	1
Construction	0.060	0.238	0	1	0.012	0.111	0	1	0.011	0.106	0	1
Commerce	0.181	0.385	0	1	0.199	0.400	0	1	0.120	0.325	0	1
Service	0.408	0.491	0	1	0.571	0.495	0	1	0.631	0.483	0	1
Hour	43.711	7.637	1	120	40.758	7.776	1	120	40.859	7.742	2	120
Observations	190,437				125,272				72,349			

Table B5: Descriptive Statistics for employed Young Males, Young Females and Older Females after Policy 3

Variable	Young Males				Young Females				Older Females			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Loghw	1.304	0.670	0	5.521	1.260	0.677	0	5.234	1.113	0.828	0	5.177
Exp	20.351	7.575	2	40	18.237	7.206	4	40	40.119	8.038	24	65
Exp squared	471.545	329.791	4	1600	384.505	295.888	16	1600	1674.134	677.042	576	4225
PE	0.107	0.310	0	1	0.103	0.303	0	1	0.095	0.293	0	1
BA	0.119	0.324	0	1	0.117	0.322	0	1	0.106	0.307	0	1
MG	0.208	0.406	0	1	0.196	0.397	0	1	0.177	0.382	0	1
RJ	0.155	0.362	0	1	0.160	0.366	0	1	0.178	0.383	0	1
RS	0.158	0.365	0	1	0.171	0.376	0	1	0.205	0.403	0	1
Lower primary	0.205	0.404	0	1	0.103	0.304	0	1	0.315	0.464	0	1
Upper primary	0.219	0.414	0	1	0.137	0.344	0	1	0.164	0.371	0	1
Secondary	0.451	0.498	0	1	0.587	0.492	0	1	0.209	0.407	0	1
College	0.078	0.267	0	1	0.152	0.359	0	1	0.167	0.373	0	1
Graduate School	0.003	0.056	0	1	0.005	0.069	0	1	0.007	0.086	0	1
Industry	0.283	0.451	0	1	0.184	0.387	0	1	0.146	0.353	0	1
Construction	0.062	0.242	0	1	0.011	0.106	0	1	0.010	0.098	0	1
Commerce	0.209	0.407	0	1	0.240	0.427	0	1	0.097	0.296	0	1
Service	0.323	0.468	0	1	0.501	0.500	0	1	0.693	0.461	0	1
Hour	44.301	7.070	1	120	41.767	7.140	1	120	39.929	8.413	1	120
Observations	306,886				199,965				46,025			

PNAD

Table B6: Descriptive Statistics for Full Sample

Variable	*Young Males*				*Young Females*				*Older Females*			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Employed	0.923	0.267	0	1	0.858	0.349	0	1	0.936	0.245	0	1
Age	29.728	6.025	20	40	29.688	6.054	20	40	48.556	6.026	41	65
Age squared	920.055	361.508	400	1600	918.000	363.041	400	1600	2394.016	613.672	1681	4225
Black	0.067	0.251	0	1	0.067	0.250	0	1	0.076	0.264	0	1
Mixed	0.411	0.492	0	1	0.382	0.486	0	1	0.350	0.477	0	1
Asian	0.003	0.053	0	1	0.004	0.060	0	1	0.005	0.068	0	1
Native	0.002	0.042	0	1	0.002	0.042	0	1	0.002	0.045	0	1
Migrant	0.181	0.385	0	1	0.179	0.384	0	1	0.236	0.425	0	1
Years of schooling	7.133	4.109	0	15	8.561	4.066	0	15	6.767	4.877	0	15
College	0.051	0.220	0	1	0.099	0.298	0	1	0.124	0.330	0	1
Graduate school	0.003	0.051	0	1	0.004	0.059	0	1	0.008	0.088	0	1
Urban	0.857	0.350	0	1	0.922	0.269	0	1	0.916	0.278	0	1
Head of household	0.650	0.477	0	1	0.223	0.416	0	1	0.386	0.487	0	1
Observations	320,789				234,510				109,616			

Table B7 Descriptive Statistics for Young Males, Young Females and Older Females before change in Maternity Leave Policy

Variable	***Young Males***				***Young Females***				***Older Females***			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Year	1997.0280	0.8091	1996	1998	1997.0430	0.8136	1996	1998	1997.0510	0.8109	1996	1998
UF	35.7815	8.3453	17	53	35.8575	8.5176	17	53	35.4475	8.3512	17	53
Age	29.7406	5.9101	20	40	29.8523	5.9319	20	40	47.3866	5.4483	41	65
Headh	0.6707	0.4700	0	1	0.2053	0.4039	0	1	0.3799	0.4854	0	1
White	0.5921	0.4914	0	1	0.6660	0.4717	0	1	0.6651	0.4720	0	1
Black	0.0616	0.2404	0	1	0.0457	0.2088	0	1	0.0568	0.2314	0	1
Mixed	0.3420	0.4744	0	1	0.2825	0.4502	0	1	0.2693	0.4436	0	1
Asian	0.0028	0.0531	0	1	0.0045	0.0669	0	1	0.0069	0.0830	0	1
Native	0.0014	0.0379	0	1	0.0014	0.0372	0	1	0.0019	0.0440	0	1
Migrant	0.2060	0.4044	0	1	0.1772	0.3818	0	1	0.2320	0.4221	0	1
Years of Schooling	8.0724	3.8502	0	15	10.4309	3.4582	0	15	9.3967	4.6957	0	15
College	0.0713	0.2572	0	1	0.1813	0.3853	0	1	0.2528	0.4347	0	1
Graduate School	0.0033	0.0577	0	1	0.0059	0.0768	0	1	0.0148	0.1209	0	1
Employed	1.0000	0.0000	1	1	1.0000	0.0000	1	1	1.0000	0.0000	1	1
Urban	0.9373	0.2424	0	1	0.9468	0.2244	0	1	0.9542	0.2090	0	1
W	609.9001	672.1068	25	20000	511.5317	559.1702	20	10000	662.3658	772.7894	10	11000
Hourlyw	3.7109	4.9719	1	208.3333	3.6439	4.6213	1	185.8333	4.8088	5.8271	1	112.5000
Logw	6.1230	0.6882	3.2189	9.9035	5.9298	0.7207	2.9957	9.2103	6.0917	0.8491	2.3026	9.3057
Loghw	0.9781	0.7166	0	5.3391	0.9630	0.7236	0	5.2249	1.1660	0.8343	0	4.7230
Seniority	4.4973	4.7267	0	26	4.7356	4.7800	0	26	11.5155	8.4296	0	49
Observations	62,609				37,549				14424			

Table B8: Descriptive Statistics for Young Males, Young Females and Older Females for Policy 1

Variable	*Young Males*				*Young Females*				*Older Females*			
	Mean	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**	**Mean**	**Std. Dev.**	**Min**	**Max**
Year	2000.7800	1.2203	1999	2002	2000.8120	1.2091	1999	2002	2000.8270	1.2052	1999	2002
UF	35.6314	8.7460	17	53	35.5972	8.8631	17	53	35.0051	8.6201	17	53
Age	29.4937	5.9673	20	40	29.6008	6.0303	20	40	47.8301	5.5075	41	65
Headh	0.0000	0.0000	0	0	1.0000	0.0000	1	1	1.0000	0.0000	1	1
White	0.6451	0.4785	0	1	0.2155	0.4111	0	1	0.3883	0.4874	0	1
Black	0.5592	0.4965	0	1	0.6357	0.4813	0	1	0.6343	0.4816	0	1
Mixed	0.0658	0.2479	0	1	0.0484	0.2145	0	1	0.0598	0.2372	0	1
Asian	0.3707	0.4830	0	1	0.3097	0.4624	0	1	0.2996	0.4581	0	1
Native	0.0028	0.0532	0	1	0.0046	0.0679	0	1	0.0049	0.0701	0	1
Migrant	0.0016	0.0395	0	1	0.0016	0.0402	0	1	0.0014	0.0374	0	1
Years of Schooling	0.2009	0.4006	0	1	0.1700	0.3756	0	1	0.2251	0.4177	0	1
College	8.3683	3.7949	0	15	10.5581	3.3177	0	15	9.3184	4.6385	0	15
Graduate School	0.0669	0.2499	0	1	0.1667	0.3727	0	1	0.2333	0.4229	0	1
Employed	0.0042	0.0648	0	1	0.0064	0.0799	0	1	0.0157	0.1242	0	1
Urban	1.0000	0.0000	1	1	1.0000	0.0000	1	1	1.0000	0.0000	1	1
W	0.9482	0.2216	0	1	0.9516	0.2147	0	1	0.9518	0.2142	0	1
Hourlyw	635.2886	745.3737	20	20000	543.9732	626.9733	20	15000	741.1411	960.1788	20	20000
Logw	3.8676	5.4495	1	250	3.8288	5.0782	1	250	5.3420	7.4159	1	208.3333
Loghw	6.1490	0.6974	2.9957	9.9035	5.9896	0.7085	2.9957	9.6158	6.1793	0.8524	2.9957	9.9035
Seniority	9.0265	86.1152	0	7000	22.6634	177.8334	0	16000	107.1749	389.2223	0	11600
Observations	73,697				48,119				20,036			

APPENDIX C: REGRESSIONS–FULL TABLES

PME

Wage Equation before Heckman's Correction

Table C1: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 1 only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.282	-
	[0.002]***	-
Policy1	0.060	0.074
	[0.004]***	[0.007]***
p1xfemale	**0.019**	-
	[0.005]***	-
Female20to40	-	-0.032
	-	[0.006]***
p1xfemale20to40	-	**0.002**
	-	[0.008]
Exp	0.056	0.037
	[0.001]***	[0.001]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.558	-0.544
	[0.003]***	[0.005]***
BA	-0.515	-0.484
	[0.004]***	[0.006]***
MG	-0.291	-0.292
	[0.003]***	[0.004]***
RJ	-0.347	-0.309
	[0.003]***	[0.004]***
RS	-0.262	-0.234
	[0.003]***	[0.004]***
Lower primary	0.201	0.226
	[0.005]***	[0.005]***
Upper primary	0.525	0.616
	[0.005]***	[0.006]***
Secondary	1.014	0.980
	[0.005]***	[0.006]***
College	1.894	1.795
	[0.006]***	[0.007]***
Graduate school	2.453	2.266

	[0.025]***	[0.029]***
Industry	0.043	-0.104
	[0.007]***	[0.009]***
Construction	-0.029	0.040
	[0.008]***	[0.016]***
Commerce	-0.088	-0.202
	[0.007]***	[0.009]***
Service	0.015	-0.077
	[0.007]**	[0.009]***
Constant	-0.232	-0.156
	[0.011]***	[0.015]***
Year Dummies	Yes	Yes
Observations	330,893	171,290
R-squared	0.47	0.49

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C2: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 1 only

loghw	w≤800	w≤1200	w≤1600
Female	-0.169	-0.208	-0.228
	[0.002]***	[0.002]***	[0.002]***
Policy 1	0.059	0.061	0.058
	[0.003]***	[0.003]***	[0.003]***
p1xfemale	0.000	0.005	0.012
	[0.004]	[0.005]	[0.005]**
Exp	0.022	0.033	0.039
	[0.001]***	[0.001]***	[0.001]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.407	-0.476	-0.505
	[0.003]***	[0.003]***	[0.003]***
BA	-0.390	-0.450	-0.472
	[0.003]***	[0.003]***	[0.004]***
MG	-0.222	-0.253	-0.267
	[0.002]***	[0.003]***	[0.003]***
RJ	-0.246	-0.293	-0.314
	[0.002]***	[0.003]***	[0.003]***
RS	-0.199	-0.225	-0.237
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.160	0.187	0.198
	[0.004]***	[0.004]***	[0.005]***
Upper primary	0.370	0.449	0.483
	[0.004]***	[0.005]***	[0.005]***
Secondary	0.647	0.813	0.889
	[0.005]***	[0.005]***	[0.005]***
College	1.114	1.396	1.551
	[0.006]***	[0.006]***	[0.006]***
Graduate School	1.440	1.675	1.840
	[0.066]***	[0.042]***	[0.036]***
Industry	-0.003	0.004	0.013
	[0.006]	[0.006]	[0.006]**
Construction	-0.041	-0.051	-0.046
	[0.006]***	[0.007]***	[0.007]***
Commerce	-0.096	-0.108	-0.105
	[0.006]***	[0.006]***	[0.006]***
Service	0.001	-0.002	0.001
	[0.005]	[0.006]	[0.006]
Year Dummies	Yes	Yes	Yes
Observations	272,883	301,248	312,858
R-squared	0.26	0.34	0.38

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C3: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 1 only

loghw	w≤800	w≤1200	w≤1600
Female20to40	-0.009	-0.007	-0.004
	[0.005]*	[0.005]	[0.005]
Policy 1	0.062	0.062	0.066
	[0.006]***	[0.007]***	[0.007]***
p1xfemale20to40	-0.006	-0.002	0.000
	[0.007]	[0.007]	[0.008]
Exp	0.017	0.024	0.028
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.395	-0.455	-0.483
	[0.004]***	[0.005]***	[0.005]***
BA	-0.368	-0.416	-0.438
	[0.005]***	[0.005]***	[0.005]***
MG	-0.244	-0.258	-0.269
	[0.003]***	[0.004]***	[0.004]***
RJ	-0.238	-0.267	-0.283
	[0.003]***	[0.004]***	[0.004]***
RS	-0.189	-0.204	-0.212
	[0.003]***	[0.003]***	[0.003]***
Lower primary	0.177	0.209	0.221
	[0.004]***	[0.005]***	[0.005]***
Upper primary	0.439	0.532	0.571
	[0.005]***	[0.006]***	[0.006]***
Secondary	0.686	0.835	0.897
	[0.005]***	[0.006]***	[0.006]***
College	1.153	1.411	1.546
	[0.007]***	[0.007]***	[0.007]***
Graduate School	1.436	1.653	1.803
	[0.051]***	[0.037]***	[0.032]***
Industry	-0.091	-0.100	-0.101
	[0.008]***	[0.008]***	[0.008]***
Construction	0.021	0.026	0.042
	[0.013]	[0.014]*	[0.014]***
Commerce	-0.148	-0.171	-0.179
	[0.008]***	[0.008]***	[0.008]***
Service	-0.044	-0.054	-0.058
	[0.007]***	[0.008]***	[0.008]***
Year Dummies	Yes	Yes	Yes
Observations	144,065	157,420	163,118
R-squared	0.32	0.38	0.42

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C4: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 2A only

loghw	Control group	
	Young Males	Older Females
Female	-0.280	-
	[0.002]***	-
Policy2A	0.031	0.060
	[0.003]***	[0.005]***
p2Axfemale	0.023	-
	[0.003]***	-
Female20to40	-	-0.034
	-	[0.005]***
p2Axfemale20to40	-	-0.014
	-	[0.005]***
Exp	0.057	0.035
	[0.001]***	[0.000]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.554	-0.542
	[0.003]***	[0.004]***
BA	-0.505	-0.475
	[0.003]***	[0.004]***
MG	-0.296	-0.305
	[0.002]***	[0.003]***
RJ	-0.321	-0.296
	[0.002]***	[0.003]***
RS	-0.243	-0.221
	[0.002]***	[0.003]***
Lower primary	0.190	0.214
	[0.004]***	[0.004]***
Upper primary	0.499	0.593
	[0.005]***	[0.005]***
Secondary	0.975	0.951
	[0.005]***	[0.005]***
College	1.882	1.794
	[0.005]***	[0.006]***
Graduate school	2.425	2.315
	[0.018]***	[0.022]***
Industry	0.020	-0.108
	[0.006]***	[0.007]***
Construction	-0.044	0.036
	[0.006]***	[0.013]***
Commerce	-0.114	-0.212
	[0.006]***	[0.007]***

Service	-0.003	-0.080
	[0.005]	[0.007]***
Constant	-0.201	-0.114
	[0.009]***	[0.013]***
Year Dummies	Yes	Yes
Observations	479,824	255,222
R-squared	0.47	0.49

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C5: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 2A only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female	-0.167	-0.206	-0.227
	[0.002]***	[0.002]***	[0.002]***
Policy 2A	0.045	0.036	0.034
	[0.002]***	[0.002]***	[0.003]***
p2Axfemale	0.001	0.011	0.014
	[0.003]	[0.003]***	[0.003]***
Exp	0.024	0.034	0.040
	[0.000]***	[0.001]***	[0.001]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.406	-0.474	-0.502
	[0.002]***	[0.003]***	[0.003]***
BA	-0.383	-0.442	-0.464
	[0.003]***	[0.003]***	[0.003]***
MG	-0.226	-0.259	-0.272
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.224	-0.270	-0.290
	[0.002]***	[0.002]***	[0.002]***
RS	-0.181	-0.206	-0.218
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.156	0.182	0.191
	[0.004]***	[0.004]***	[0.004]***
Upper primary	0.358	0.433	0.465
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.628	0.786	0.860
	[0.004]***	[0.004]***	[0.004]***
College	1.112	1.388	1.541
	[0.005]***	[0.005]***	[0.005]***
Graduate School	1.403	1.655	1.817
	[0.049]***	[0.032]***	[0.027]***
Industry	-0.020	-0.015	-0.006
	[0.005]***	[0.005]***	[0.005]
Construction	-0.050	-0.061	-0.056
	[0.005]***	[0.006]***	[0.006]***
Commerce	-0.113	-0.127	-0.127
	[0.005]***	[0.005]***	[0.005]***
Service	-0.010	-0.014	-0.012
	[0.005]**	[0.005]***	[0.005]**
Year Dummies	Yes	Yes	Yes
Observations	396,865	437,039	453,773
R-squared	0.26	0.34	0.38

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C6: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 2A only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female20to40	-0.011	-0.009	-0.007
	[0.004]***	[0.004]**	[0.005]
Policy 2A	0.053	0.049	0.051
	[0.004]***	[0.005]***	[0.005]***
p2Axfemale20to40	-0.014	-0.011	-0.011
	[0.004]***	[0.004]**	[0.005]**
Exp	0.016	0.023	0.026
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.393	-0.453	-0.481
	[0.003]***	[0.004]***	[0.004]***
BA	-0.363	-0.411	-0.431
	[0.004]***	[0.004]***	[0.004]***
MG	-0.253	-0.273	-0.284
	[0.003]***	[0.003]***	[0.003]***
RJ	-0.224	-0.255	-0.270
	[0.003]***	[0.003]***	[0.003]***
RS	-0.177	-0.190	-0.197
	[0.003]***	[0.003]***	[0.003]***
Lower primary	0.169	0.200	0.210
	[0.004]***	[0.004]***	[0.004]***
Upper primary	0.418	0.510	0.547
	[0.004]***	[0.005]***	[0.005]***
Secondary	0.665	0.811	0.870
	[0.004]***	[0.005]***	[0.005]***
College	1.141	1.399	1.535
	[0.006]***	[0.006]***	[0.006]***
Graduate School	1.400	1.647	1.814
	[0.042]***	[0.031]***	[0.026]***
Industry	-0.100	-0.110	-0.110
	[0.006]***	[0.007]***	[0.007]***
Construction	0.014	0.020	0.035
	[0.011]	[0.011]*	[0.012]***
Commerce	-0.162	-0.187	-0.196
	[0.006]***	[0.007]***	[0.007]***
Service	-0.051	-0.061	-0.065
	[0.006]***	[0.006]***	[0.007]***
Year Dummies	Yes	Yes	Yes
Observations	214,286	234,101	242,578
R-squared	0.32	0.38	0.42

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C7: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 2B only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.280	-
	[0.002]***	-
Policy2B	0.087	0.116
	[0.002]***	[0.005]***
p2Bxfemale	0.040	-
	[0.003]***	-
Female20to40	-	-0.026
	-	[0.005]***
p2Bxfemale20to40	-	0.009
	-	[0.005]**
Exp	0.060	0.036
	[0.000]***	[0.000]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.545	-0.538
	[0.003]***	[0.004]***
BA	-0.490	-0.461
	[0.003]***	[0.004]***
MG	-0.296	-0.311
	[0.002]***	[0.003]***
RJ	-0.300	-0.281
	[0.002]***	[0.003]***
RS	-0.226	-0.213
	[0.002]***	[0.003]***
Lower primary	0.169	0.196
	[0.003]***	[0.004]***
Upper primary	0.463	0.551
	[0.004]***	[0.005]***
Secondary	0.935	0.920
	[0.004]***	[0.005]***
College	1.870	1.791
	[0.005]***	[0.005]***
Graduate school	2.456	2.367
	[0.016]***	[0.019]***
Industry	-0.003	-0.107
	[0.004]	[0.006]***
Construction	-0.064	0.018
	[0.005]***	[0.011]*
Commerce	-0.133	-0.204

	[0.004]***	[0.006]***
Service	-0.024	-0.073
	[0.004]***	[0.006]***
Constant	-0.177	-0.113
	[0.007]***	[0.011]***
Year Dummies	Yes	Yes
Observations	597,048	315,323
R-squared	0.47	0.50

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C8: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 2B only

loghw	w≤800	w≤1200	w≤1600
Female	-0.164	-0.203	-0.225
	[0.002]***	[0.002]***	[0.002]***
Policy 2B	0.090	0.083	0.079
	[0.002]***	[0.002]***	[0.002]***
p2Bxfemale	0.016	0.023	0.028
	[0.002]***	[0.002]***	[0.003]***
Exp	0.026	0.036	0.042
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.001
	[0.000]***	[0.000]***	[0.000]***
PE	-0.403	-0.467	-0.494
	[0.002]***	[0.002]***	[0.002]***
BA	-0.376	-0.431	-0.452
	[0.002]***	[0.002]***	[0.002]***
MG	-0.227	-0.259	-0.272
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.210	-0.251	-0.269
	[0.002]***	[0.002]***	[0.002]***
RS	-0.169	-0.191	-0.202
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.135	0.159	0.167
	[0.003]***	[0.003]***	[0.003]***
Upper primary	0.328	0.399	0.428
	[0.003]***	[0.004]***	[0.004]***
Secondary	0.593	0.745	0.817
	[0.003]***	[0.004]***	[0.004]***
College	1.076	1.351	1.505
	[0.005]***	[0.004]***	[0.004]***
Graduate School	1.381	1.665	1.829
	[0.048]***	[0.031]***	[0.025]***
Industry	-0.045	-0.037	-0.026
	[0.003]***	[0.003]***	[0.004]***
Construction	-0.070	-0.077	-0.073
	[0.004]***	[0.004]***	[0.004]***
Commerce	-0.132	-0.144	-0.142
	[0.003]***	[0.003]***	[0.004]***
Service	-0.033	-0.034	-0.030
	[0.003]***	[0.003]***	[0.003]***
Year Dummies	Yes	Yes	Yes
Observations	491,843	542,589	563,505
R-squared	0.26	0.33	0.37

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C9: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 2B only

loghw	w≤800	w≤1200	w≤1600
Female20to40	-0.006	-0.005	-0.003
	[0.004]	[0.004]	[0.004]
Policy 2B	0.100	0.090	0.092
	[0.004]***	[0.004]***	[0.004]***
p2Bxfemale20to40	0.004	0.008	0.009
	[0.004]	[0.004]**	[0.004]**
Exp	0.017	0.023	0.027
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.392	-0.448	-0.475
	[0.003]***	[0.003]***	[0.003]***
BA	-0.358	-0.401	-0.418
	[0.003]***	[0.003]***	[0.004]***
MG	-0.255	-0.275	-0.285
	[0.002]***	[0.003]***	[0.003]***
RJ	-0.211	-0.240	-0.254
	[0.002]***	[0.003]***	[0.003]***
RS	-0.167	-0.181	-0.187
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.155	0.182	0.192
	[0.003]***	[0.004]***	[0.004]***
Upper primary	0.391	0.475	0.510
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.640	0.780	0.838
	[0.004]***	[0.004]***	[0.004]***
College	1.117	1.375	1.512
	[0.005]***	[0.005]***	[0.005]***
Graduate School	1.387	1.665	1.832
	[0.042]***	[0.030]***	[0.025]***
Industry	-0.098	-0.106	-0.110
	[0.005]***	[0.005]***	[0.005]***
Construction	0.001	0.011	0.019
	[0.009]	[0.009]	[0.010]*
Commerce	-0.155	-0.176	-0.187
	[0.005]***	[0.005]***	[0.005]***
Service	-0.045	-0.052	-0.058
	[0.005]***	[0.005]***	[0.005]***
Year Dummies	Yes	Yes	Yes
Observations	263,026	287,821	298,514
R-squared	0.31	0.38	0.42

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C10: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 3 only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.270	-
	[0.002]***	-
Policy3	0.234	0.159
	[0.002]***	[0.005]***
p3xfemale	0.080	-
	[0.002]***	-
Female20to40	-	0.005
	-	[0.005]
p3xfemale20to40	-	0.036
	-	[0.004]***
Exp	0.056	0.037
	[0.000]***	[0.000]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.496	-0.511
	[0.002]***	[0.003]***
BA	-0.414	-0.408
	[0.002]***	[0.003]***
MG	-0.244	-0.279
	[0.002]***	[0.002]***
RJ	-0.251	-0.261
	[0.002]***	[0.003]***
RS	-0.143	-0.165
	[0.002]***	[0.002]***
Lower primary	0.139	0.171
	[0.003]***	[0.004]***
Upper primary	0.402	0.470
	[0.003]***	[0.004]***
Secondary	0.831	0.856
	[0.003]***	[0.004]***
College	1.810	1.758
	[0.004]***	[0.005]***
Graduate school	2.475	2.487
	[0.013]***	[0.015]***
Industry	-0.014	-0.090
	[0.002]***	[0.004]***
Construction	-0.063	0.056
	[0.003]***	[0.009]***
Commerce	-0.151	-0.190

	[0.003]***	[0.004]***
Service	-0.051	-0.066
	[0.002]***	[0.004]***
Constant	-0.083	-0.139
	[0.006]***	[0.009]***
Year Dummies	Yes	Yes
Observations	788,190	420,536
R-squared	0.48	0.54

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C11: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 3 only

loghw	w≤800	w≤1200	w≤1600
Female	-0.146	-0.185	-0.207
	[0.002]***	[0.002]***	[0.002]***
Policy 3	0.219	0.225	0.224
	[0.002]***	[0.002]***	[0.002]***
p3xfemale	0.054	0.053	0.058
	[0.002]***	[0.002]***	[0.002]***
Exp	0.021	0.030	0.036
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.345	-0.409	-0.436
	[0.002]***	[0.002]***	[0.002]***
BA	-0.304	-0.354	-0.373
	[0.002]***	[0.002]***	[0.002]***
MG	-0.181	-0.208	-0.218
	[0.001]***	[0.001]***	[0.002]***
RJ	-0.170	-0.202	-0.217
	[0.001]***	[0.002]***	[0.002]***
RS	-0.104	-0.115	-0.120
	[0.001]***	[0.002]***	[0.002]***
Lower primary	0.106	0.131	0.139
	[0.002]***	[0.003]***	[0.003]***
Upper primary	0.270	0.340	0.368
	[0.003]***	[0.003]***	[0.003]***
Secondary	0.491	0.640	0.709
	[0.003]***	[0.003]***	[0.003]***
College	0.930	1.205	1.363
	[0.004]***	[0.004]***	[0.004]***
Graduate School	1.168	1.475	1.713
	[0.046]***	[0.028]***	[0.024]***
Industry	-0.046	-0.050	-0.041
	[0.002]***	[0.002]***	[0.002]***
Construction	-0.048	-0.072	-0.071
	[0.003]***	[0.003]***	[0.003]***
Commerce	-0.126	-0.155	-0.155
	[0.002]***	[0.002]***	[0.002]***
Service	-0.043	-0.059	-0.056
	[0.002]***	[0.002]***	[0.002]***
Year Dummies	Yes	Yes	Yes
Observations	611,232	698,481	731,514
R-squared	0.27	0.32	0.36

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Table C12: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 3 only

loghw	w≤800	w≤1200	w≤1600
Female20to40	0.020	0.014	0.012
	[0.004]***	[0.004]***	[0.004]***
Policy 3	0.149	0.183	0.181
	[0.004]***	[0.004]***	[0.004]***
p3xfemale20to40	0.017	0.031	0.037
	[0.003]***	[0.004]***	[0.004]***
Exp	0.013	0.021	0.025
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.332	-0.397	-0.426
	[0.002]***	[0.003]***	[0.003]***
BA	-0.282	-0.335	-0.355
	[0.003]***	[0.003]***	[0.003]***
MG	-0.202	-0.233	-0.245
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.171	-0.204	-0.220
	[0.002]***	[0.002]***	[0.002]***
RS	-0.107	-0.126	-0.131
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.133	0.158	0.166
	[0.003]***	[0.003]***	[0.003]***
Upper primary	0.334	0.401	0.431
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.540	0.687	0.748
	[0.004]***	[0.004]***	[0.004]***
College	0.984	1.232	1.370
	[0.005]***	[0.005]***	[0.005]***
Graduate School	1.300	1.557	1.743
	[0.040]***	[0.027]***	[0.023]***
Industry	-0.106	-0.099	-0.107
	[0.003]***	[0.003]***	[0.004]***
Construction	-0.015	0.018	0.027
	[0.007]**	[0.008]**	[0.008]***
Commerce	-0.159	-0.165	-0.176
	[0.003]***	[0.003]***	[0.003]***
Service	-0.066	-0.054	-0.058
	[0.003]***	[0.003]***	[0.003]***
Year Dummies	Yes	Yes	Yes
Observations	322,554	364,651	383,338
R-squared	0.33	0.39	0.43

Robust standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

Wage Equation after Heckman's Correction

Table C13: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 1 only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.170	-
	[0.004]***	-
Policy1	0.079	0.078
	[0.004]***	[0.007]***
p1xfemale	0.010	-
	[0.005]**	-
Female20to40	-	-0.028
	-	[0.006]***
p1xfemale20to40	-	0.001
	-	[0.008]
Exp	0.051	0.035
	[0.001]***	[0.001]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.536	-0.534
	[0.004]***	[0.005]***
BA	-0.506	-0.481
	[0.004]***	[0.006]***
MG	-0.298	-0.295
	[0.003]***	[0.004]***
RJ	-0.341	-0.305
	[0.003]***	[0.004]***
RS	-0.266	-0.235
	[0.003]***	[0.004]***
Lower primary	0.177	0.232
	[0.005]***	[0.005]***
Upper primary	0.485	0.619
	[0.005]***	[0.006]***
Secondary	0.941	0.968
	[0.006]***	[0.007]***
College	1.766	1.770
	[0.007]***	[0.008]***
Graduate school	2.316	2.233
	[0.026]***	[0.029]***
Industry	0.043	-0.104
	[0.007]***	[0.009]***
Construction	-0.034	0.039

	[0.008]***	[0.016]**
Commerce	-0.088	-0.203
	[0.007]***	[0.009]***
Service	0.014	-0.078
	[0.007]**	[0.009]***
Constant	-0.045	-0.080
	[0.012]***	[0.019]***
Year Dummies	Yes	Yes
Inverse Mills Ratio	-0.226	-0.072
	[0.007]***	[0.011]***
Observations	330,893	171,290
R-squared	0.47	0.49

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C14: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 1 only

loghw	w≤800	w≤1200	w≤1600
Female	-0.054	-0.073	-0.090
	[0.004]***	[0.004]***	[0.004]***
Policy1	0.079	0.083	0.081
	[0.003]***	[0.003]***	[0.003]***
p1xfemale	-0.009	-0.005	0.002
	[0.004]**	[0.005]	[0.005]
Exp	0.016	0.026	0.032
	[0.001]***	[0.001]***	[0.001]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.384	-0.449	-0.477
	[0.003]***	[0.003]***	[0.003]***
BA	-0.380	-0.438	-0.460
	[0.003]***	[0.003]***	[0.004]***
MG	-0.229	-0.261	-0.275
	[0.002]***	[0.003]***	[0.003]***
RJ	-0.239	-0.285	-0.305
	[0.002]***	[0.003]***	[0.003]***
RS	-0.202	-0.229	-0.241
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.136	0.159	0.169
	[0.004]***	[0.004]***	[0.005]***
Upper primary	0.330	0.402	0.434
	[0.005]***	[0.005]***	[0.005]***
Secondary	0.573	0.726	0.799
	[0.005]***	[0.005]***	[0.006]***
College	0.976	1.236	1.388
	[0.007]***	[0.007]***	[0.007]***
Graduate school	1.290	1.500	1.661
	[0.065]***	[0.042]***	[0.036]***
Industry	-0.004	0.004	0.012
	[0.006]	[0.006]	[0.006]**
Construction	-0.047	-0.058	-0.053
	[0.006]***	[0.007]***	[0.007]***
Commerce	-0.096	-0.109	-0.106
	[0.006]***	[0.006]***	[0.006]***
Service	-0.000	-0.003	-0.001
	[0.005]	[0.006]	[0.006]
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.225	-0.268	-0.277
	[0.006]***	[0.006]***	[0.007]***

Observations	272,883	301,248	312,858
R-squared	0.27	0.34	0.38

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C15: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 1 only

loghw	w≤800	w≤1200	w≤1600
Female20to40	-0.008	-0.005	-0.002
	[0.005]*	[0.005]	[0.005]
Policy1	0.063	0.064	0.068
	[0.006]***	[0.007]***	[0.007]***
p1xfemale20to40	-0.007	-0.002	-0.000
	[0.007]	[0.007]	[0.008]
Exp	0.017	0.023	0.026
	[0.001]***	[0.001]***	[0.001]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.393	-0.450	-0.476
	[0.005]***	[0.005]***	[0.005]***
BA	-0.368	-0.415	-0.436
	[0.005]***	[0.005]***	[0.005]***
MG	-0.244	-0.259	-0.271
	[0.003]***	[0.004]***	[0.004]***
RJ	-0.238	-0.265	-0.280
	[0.003]***	[0.004]***	[0.004]***
RS	-0.190	-0.204	-0.212
	[0.003]***	[0.003]***	[0.003]***
Lower primary	0.178	0.212	0.225
	[0.004]***	[0.005]***	[0.005]***
Upper primary	0.440	0.534	0.573
	[0.005]***	[0.006]***	[0.006]***
Secondary	0.684	0.830	0.890
	[0.006]***	[0.006]***	[0.006]***
College	1.149	1.398	1.531
	[0.007]***	[0.007]***	[0.008]***
Graduate school	1.430	1.636	1.782
	[0.051]***	[0.037]***	[0.032]***
Industry	-0.091	-0.100	-0.101
	[0.008]***	[0.008]***	[0.008]***
Construction	0.021	0.025	0.041
	[0.013]	[0.014]*	[0.014]***
Commerce	-0.148	-0.172	-0.179
	[0.008]***	[0.008]***	[0.008]***
Service	-0.045	-0.054	-0.058
	[0.007]***	[0.008]***	[0.008]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.011	-0.036	-0.046
	[0.009]	[0.009]***	[0.010]***

Observations	144,065	157,420	163,118
R-squared	0.32	0.38	0.42

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C16: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 2A only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.175	-
	[0.004]***	-
Policy2A	0.045	0.061
	[0.003]***	[0.005]***
p2Axfemale	0.013	-
	[0.003]***	-
Female20to40	-	-0.030
	-	[0.005]***
p2Axfemale20to40	-	-0.014
	-	[0.005]***
Exp	0.052	0.034
	[0.001]***	[0.001]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.531	-0.534
	[0.003]***	[0.004]***
BA	-0.493	-0.472
	[0.003]***	[0.004]***
MG	-0.301	-0.307
	[0.002]***	[0.003]***
RJ	-0.314	-0.293
	[0.002]***	[0.003]***
RS	-0.246	-0.222
	[0.002]***	[0.003]***
Lower primary	0.165	0.219
	[0.004]***	[0.004]***
Upper primary	0.459	0.595
	[0.005]***	[0.005]***
Secondary	0.903	0.942
	[0.005]***	[0.005]***
College	1.755	1.773
	[0.006]***	[0.007]***
Graduate school	2.286	2.288
	[0.019]***	[0.022]***
Industry	0.020	-0.108
	[0.006]***	[0.007]***
Construction	-0.048	0.035
	[0.006]***	[0.013]***
Commerce	-0.114	-0.212

	[0.006]***	[0.007]***
Service	-0.004	-0.081
	[0.005]	[0.007]***
Constant	-0.018	-0.052
	[0.010]*	[0.016]***
Year Dummies	Yes	Yes
Inverse Mills Ratio	-0.215	-0.057
	[0.006]***	[0.009]***
Observations	479,824	255,222
R-squared	0.48	0.49

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C17: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 2A only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female	-0.057	-0.077	-0.092
	[0.003]***	[0.003]***	[0.003]***
Policy2A	0.060	0.053	0.051
	[0.002]***	[0.002]***	[0.003]***
p2Axfemale	-0.009	-0.001	0.002
	[0.003]***	[0.003]	[0.003]
Exp	0.018	0.027	0.033
	[0.001]***	[0.001]***	[0.001]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.382	-0.446	-0.473
	[0.002]***	[0.003]***	[0.003]***
BA	-0.371	-0.428	-0.449
	[0.003]***	[0.003]***	[0.003]***
MG	-0.231	-0.265	-0.278
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.215	-0.260	-0.280
	[0.002]***	[0.002]***	[0.002]***
RS	-0.184	-0.210	-0.222
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.131	0.152	0.160
	[0.004]***	[0.004]***	[0.004]***
Upper primary	0.318	0.386	0.415
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.553	0.698	0.768
	[0.004]***	[0.005]***	[0.005]***
College	0.974	1.228	1.376
	[0.006]***	[0.006]***	[0.006]***
Graduate school	1.244	1.473	1.625
	[0.049]***	[0.032]***	[0.027]***
Industry	-0.020	-0.016	-0.007
	[0.005]***	[0.005]***	[0.005]
Construction	-0.056	-0.067	-0.063
	[0.005]***	[0.006]***	[0.006]***
Commerce	-0.114	-0.128	-0.128
	[0.005]***	[0.005]***	[0.005]***
Service	-0.011	-0.016	-0.014
	[0.005]**	[0.005]***	[0.005]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.216	-0.256	-0.269
	[0.005]***	[0.005]***	[0.005]***

Observations	396,865	437,039	453,773
R-squared	0.27	0.34	0.38

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C18: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 2A only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female20to40	-0.011	-0.008	-0.005
	[0.004]***	[0.004]*	[0.005]
Policy2A	0.053	0.049	0.052
	[0.004]***	[0.005]***	[0.005]***
p2Axfemale20to40	-0.014	-0.011	-0.011
	[0.004]***	[0.004]**	[0.005]**
Exp	0.016	0.022	0.025
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.393	-0.449	-0.476
	[0.004]***	[0.004]***	[0.004]***
BA	-0.363	-0.410	-0.429
	[0.004]***	[0.004]***	[0.004]***
MG	-0.253	-0.274	-0.285
	[0.003]***	[0.003]***	[0.003]***
RJ	-0.224	-0.253	-0.268
	[0.003]***	[0.003]***	[0.003]***
RS	-0.177	-0.190	-0.197
	[0.003]***	[0.003]***	[0.003]***
Lower primary	0.169	0.201	0.212
	[0.004]***	[0.004]***	[0.004]***
Upper primary	0.418	0.511	0.549
	[0.004]***	[0.005]***	[0.005]***
Secondary	0.664	0.807	0.864
	[0.005]***	[0.005]***	[0.005]***
College	1.141	1.389	1.523
	[0.006]***	[0.006]***	[0.006]***
Graduate school	1.400	1.634	1.797
	[0.042]***	[0.031]***	[0.026]***
Industry	-0.100	-0.110	-0.110
	[0.006]***	[0.007]***	[0.007]***
Construction	0.014	0.020	0.035
	[0.011]	[0.011]*	[0.012]***
Commerce	-0.162	-0.187	-0.196
	[0.006]***	[0.007]***	[0.007]***
Service	-0.051	-0.061	-0.065
	[0.006]***	[0.006]***	[0.007]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.001	-0.026	-0.035
	[0.007]	[0.008]***	[0.008]***

Observations	214,286	234,101	242,578
R-squared	0.32	0.38	0.42

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C19: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 2B only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.173	-
	[0.003]***	-
Policy2B	0.107	0.116
	[0.003]***	[0.005]***
p2B xfemale	0.025	-
	[0.003]***	-
Female20to40	-	-0.023
	-	[0.005]***
p2B xfemale20to40	-	0.009
	-	[0.005]**
Exp	0.054	0.034
	[0.001]***	[0.000]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.522	-0.528
	[0.003]***	[0.004]***
BA	-0.478	-0.460
	[0.003]***	[0.004]***
MG	-0.299	-0.312
	[0.002]***	[0.003]***
RJ	-0.292	-0.277
	[0.002]***	[0.003]***
RS	-0.230	-0.214
	[0.002]***	[0.003]***
Lower primary	0.142	0.199
	[0.004]***	[0.004]***
Upper primary	0.421	0.553
	[0.004]***	[0.005]***
Secondary	0.858	0.909
	[0.004]***	[0.005]***
College	1.739	1.766
	[0.006]***	[0.006]***
Graduate school	2.310	2.335
	[0.017]***	[0.020]***
Industry	-0.002	-0.107
	[0.004]	[0.006]***
Construction	-0.067	0.017
	[0.005]***	[0.011]*
Commerce	-0.132	-0.204

	[0.004]***	[0.006]***
Service	-0.024	-0.073
	[0.004]***	[0.006]***
Constant	0.011	-0.042
	[0.009]	[0.014]***
Year Dummies	Yes	Yes
Inverse Mills Ratio	-0.217	-0.065
	[0.005]***	[0.008]***
Observations	597,048	315,323
R-squared	0.48	0.50

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C20: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 2B only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female	-0.056	-0.075	-0.091
	[0.003]***	[0.003]***	[0.003]***
Policy2B	0.111	0.107	0.105
	[0.002]***	[0.002]***	[0.002]***
p2Bxfemale	0.001	0.005	0.009
	[0.002]	[0.002]**	[0.003]***
Exp	0.020	0.029	0.035
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.379	-0.438	-0.464
	[0.002]***	[0.002]***	[0.002]***
BA	-0.363	-0.417	-0.436
	[0.002]***	[0.002]***	[0.002]***
MG	-0.230	-0.263	-0.275
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.201	-0.241	-0.258
	[0.002]***	[0.002]***	[0.002]***
RS	-0.172	-0.196	-0.206
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.109	0.128	0.134
	[0.003]***	[0.003]***	[0.003]***
Upper primary	0.286	0.349	0.376
	[0.003]***	[0.004]***	[0.004]***
Secondary	0.516	0.654	0.722
	[0.004]***	[0.004]***	[0.004]***
College	0.938	1.189	1.338
	[0.006]***	[0.005]***	[0.005]***
Graduate school	1.222	1.480	1.636
	[0.048]***	[0.031]***	[0.025]***
Industry	-0.044	-0.036	-0.025
	[0.003]***	[0.003]***	[0.004]***
Construction	-0.074	-0.082	-0.077
	[0.004]***	[0.004]***	[0.004]***
Commerce	-0.132	-0.143	-0.142
	[0.003]***	[0.003]***	[0.004]***
Service	-0.033	-0.034	-0.030
	[0.003]***	[0.003]***	[0.003]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.212	-0.254	-0.266
	[0.004]***	[0.005]***	[0.005]***

Observations	491,843	542,589	563,505
R-squared	0.26	0.34	0.38

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C21: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 2B only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female20to40	-0.006	-0.004	-0.002
	[0.004]	[0.004]	[0.004]
Policy2B	0.100	0.090	0.093
	[0.004]***	[0.004]***	[0.004]***
p2Bxfemale20to40	0.004	0.008	0.009
	[0.004]	[0.004]**	[0.004]**
Exp	0.017	0.023	0.026
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.392	-0.445	-0.469
	[0.003]***	[0.003]***	[0.004]***
BA	-0.358	-0.400	-0.417
	[0.003]***	[0.003]***	[0.004]***
MG	-0.255	-0.276	-0.286
	[0.002]***	[0.003]***	[0.003]***
RJ	-0.211	-0.238	-0.252
	[0.002]***	[0.003]***	[0.003]***
RS	-0.167	-0.181	-0.188
	[0.002]***	[0.002]***	[0.003]***
Lower primary	0.154	0.184	0.193
	[0.003]***	[0.004]***	[0.004]***
Upper primary	0.391	0.476	0.511
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.641	0.776	0.832
	[0.004]***	[0.004]***	[0.005]***
College	1.118	1.366	1.500
	[0.006]***	[0.006]***	[0.006]***
Graduate school	1.389	1.652	1.814
	[0.042]***	[0.031]***	[0.025]***
Industry	-0.098	-0.106	-0.110
	[0.005]***	[0.005]***	[0.005]***
Construction	0.001	0.011	0.018
	[0.009]	[0.009]	[0.010]*
Commerce	-0.155	-0.176	-0.187
	[0.005]***	[0.005]***	[0.005]***
Service	-0.045	-0.052	-0.058
	[0.005]***	[0.005]***	[0.005]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	0.003	-0.024	-0.034
	[0.007]	[0.007]***	[0.008]***

Observations	263,026	287,821	298,514
R-squared	0.31	0.38	0.42

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C22: PME: Effects of change in maternity leave policy on young females' hourly wages, Policy 3 only

loghw	Control group	
	Young Males	**Older Females**
Female	-0.169	-
	[0.003]***	-
Policy3	0.253	0.158
	[0.002]***	[0.005]***
p3xfemale	0.051	-
	[0.003]***	-
Female20to40	-	0.007
	-	[0.005]
p3xfemale20to40	-	0.037
	-	[0.004]***
Exp	0.051	0.036
	[0.000]***	[0.000]***
Exp squared	-0.001	-0.000
	[0.000]***	[0.000]***
PE	-0.469	-0.503
	[0.002]***	[0.003]***
BA	-0.401	-0.406
	[0.002]***	[0.003]***
MG	-0.246	-0.280
	[0.002]***	[0.002]***
RJ	-0.245	-0.259
	[0.002]***	[0.003]***
RS	-0.147	-0.165
	[0.002]***	[0.002]***
Lower primary	0.111	0.172
	[0.003]***	[0.004]***
Upper primary	0.359	0.470
	[0.003]***	[0.004]***
Secondary	0.755	0.849
	[0.004]***	[0.004]***
College	1.683	1.741
	[0.005]***	[0.006]***
Graduate school	2.332	2.463
	[0.014]***	[0.015]***
Industry	-0.012	-0.090
	[0.002]***	[0.004]***
Construction	-0.065	0.057
	[0.003]***	[0.009]***
Commerce	-0.149	-0.189

	[0.003]***	[0.004]***
Service	-0.050	-0.066
	[0.002]***	[0.004]***
Constant	0.102	-0.093
	[0.008]***	[0.013]***
Year Dummies	Yes	Yes
Inverse Mills Ratio	-0.205	-0.043
	[0.005]***	[0.009]***
Observations	788,190	420,536
R-squared	0.48	0.54

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C23: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using young males as a control group, Policy 3 only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female	-0.052	-0.064	-0.079
	[0.003]***	[0.003]***	[0.003]***
Policy3	0.237	0.248	0.248
	[0.002]***	[0.002]***	[0.002]***
p3xfemale	0.027	0.019	0.023
	[0.002]***	[0.002]***	[0.002]***
Exp	0.015	0.023	0.029
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.320	-0.377	-0.402
	[0.002]***	[0.002]***	[0.002]***
BA	-0.291	-0.337	-0.355
	[0.002]***	[0.002]***	[0.002]***
MG	-0.184	-0.210	-0.221
	[0.001]***	[0.001]***	[0.002]***
RJ	-0.165	-0.195	-0.209
	[0.001]***	[0.002]***	[0.002]***
RS	-0.108	-0.119	-0.125
	[0.001]***	[0.002]***	[0.002]***
Lower primary	0.081	0.099	0.104
	[0.003]***	[0.003]***	[0.003]***
Upper primary	0.232	0.290	0.314
	[0.003]***	[0.003]***	[0.003]***
Secondary	0.420	0.549	0.612
	[0.003]***	[0.003]***	[0.004]***
College	0.808	1.049	1.198
	[0.005]***	[0.005]***	[0.005]***
Graduate school	1.027	1.293	1.519
	[0.046]***	[0.028]***	[0.024]***
Industry	-0.045	-0.049	-0.040
	[0.002]***	[0.002]***	[0.002]***
Construction	-0.050	-0.075	-0.073
	[0.003]***	[0.003]***	[0.003]***
Commerce	-0.126	-0.153	-0.154
	[0.002]***	[0.002]***	[0.002]***
Service	-0.043	-0.059	-0.055
	[0.002]***	[0.002]***	[0.002]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.182	-0.238	-0.255
	[0.004]***	[0.005]***	[0.005]***

Observations	611,232	698,481	731,514
R-squared	0.27	0.33	0.36

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C24: PME: Effects of change in maternity leave policy on young females' hourly wages by wage levels using older females as a control group, Policy 3 only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female20to40	0.021	0.015	0.014
	[0.004]***	[0.004]***	[0.004]***
Policy3	0.149	0.181	0.179
	[0.004]***	[0.004]***	[0.004]***
p3xfemale20to40	0.017	0.032	0.038
	[0.003]***	[0.004]***	[0.004]***
Exp	0.013	0.020	0.023
	[0.000]***	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
PE	-0.330	-0.392	-0.417
	[0.003]***	[0.003]***	[0.003]***
BA	-0.282	-0.333	-0.353
	[0.003]***	[0.003]***	[0.003]***
MG	-0.202	-0.233	-0.245
	[0.002]***	[0.002]***	[0.002]***
RJ	-0.171	-0.202	-0.217
	[0.002]***	[0.002]***	[0.002]***
RS	-0.107	-0.126	-0.132
	[0.002]***	[0.002]***	[0.002]***
Lower primary	0.133	0.159	0.167
	[0.003]***	[0.003]***	[0.003]***
Upper primary	0.334	0.401	0.431
	[0.004]***	[0.004]***	[0.004]***
Secondary	0.539	0.682	0.740
	[0.004]***	[0.004]***	[0.004]***
College	0.981	1.220	1.351
	[0.005]***	[0.005]***	[0.005]***
Graduate school	1.296	1.539	1.716
	[0.040]***	[0.027]***	[0.024]***
Industry	-0.106	-0.099	-0.107
	[0.003]***	[0.003]***	[0.004]***
Construction	-0.015	0.018	0.027
	[0.007]**	[0.008]**	[0.008]***
Commerce	-0.159	-0.165	-0.176
	[0.003]***	[0.003]***	[0.003]***
Service	-0.066	-0.054	-0.058
	[0.003]***	[0.003]***	[0.003]***
Year Dummies	Yes	Yes	Yes
Inverse Mills Ratio	-0.007	-0.032	-0.050
	[0.007]	[0.007]***	[0.008]***

Observations	322,554	364,651	383,338
R-squared	0.33	0.39	0.43

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Employment Equation

Table C25: PME: Effects of change in maternity leave policy on young females' employment, Policy 1 only

Employed	**Control group**	
	Young Males	**Older Females**
Head of Household	0.220	0.195
	[0.001]***	[0.001]***
Female	-0.262	-
	[0.001]***	-
Policy1	-0.073	-0.032
	[0.002]***	[0.002]***
p1xfemale	0.040	-
	[0.002]***	-
Female20to40	-	-0.030
	-	[0.002]***
p1xfemale20to40	-	0.005
	-	[0.003]*
Exp	0.011	0.016
	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000
	[0.000]***	[0.000]***
PE	-0.094	-0.098
	[0.002]***	[0.002]***
BA	-0.052	-0.031
	[0.002]***	[0.002]***
MG	0.032	0.030
	[0.001]***	[0.002]***
RJ	-0.027	-0.040
	[0.001]***	[0.002]***
RS	0.008	0.014
	[0.002]***	[0.002]***
Lower primary	0.072	-0.049
	[0.002]***	[0.002]***
Upper primary	0.115	-0.026
	[0.002]***	[0.002]***
Secondary	0.209	0.107
	[0.002]***	[0.002]***
College	0.288	0.246
	[0.001]***	[0.002]***
Graduate school	0.271	0.311
	[0.003]***	[0.011]***
Year Dummies	Yes	Yes

Observations	1,134,643	1,018,352

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C26: PME: Effects of change in maternity leave policy on young females' employment, Policy 2A only

Employed	Control group	
	Young Males	Older Females
Head of Household	0.217	0.188
	[0.001]***	[0.001]***
Female	-0.265	-
	[0.001]***	-
Policy2A	-0.055	-0.019
	[0.002]***	[0.002]***
p2Axfemale	0.034	-
	[0.002]***	-
Female20to40	-	-0.030
	-	[0.002]***
p2Axfemale20to40	-	0.001
	-	[0.002]
Exp	0.012	0.017
	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000
	[0.000]***	[0.000]***
PE	-0.098	-0.100
	[0.001]***	[0.001]***
BA	-0.058	-0.034
	[0.001]***	[0.002]***
MG	0.025	0.027
	[0.001]***	[0.001]***
RJ	-0.032	-0.044
	[0.001]***	[0.001]***
RS	0.008	0.013
	[0.001]***	[0.001]***
Lower primary	0.081	-0.044
	[0.002]***	[0.001]***
Upper primary	0.124	-0.024
	[0.002]***	[0.002]***
Secondary	0.224	0.110
	[0.002]***	[0.002]***
College	0.297	0.250
	[0.001]***	[0.002]***
Graduate school	0.280	0.318
	[0.002]***	[0.008]***
Year Dummies	Yes	Yes
Observations	1,631,169	1,474,593

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C27: PME: Effects of change in maternity leave policy on young females' employment, Policy 2B only

Employed	Control group	
	Young Males	Older Females
Head of Household	0.208	0.178
	[0.001]***	[0.001]***
Female	-0.272	-
	[0.001]***	-
Policy2B	-0.084	-0.030
	[0.001]***	[0.002]***
p2B xfemale	0.046	-
	[0.001]***	-
Female20to40	-	-0.027
	-	[0.002]***
p2B xfemale20to40	-	0.003
	-	[0.002]*
Exp	0.012	0.016
	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000
	[0.000]***	[0.000]***
PE	-0.099	-0.099
	[0.001]***	[0.001]***
BA	-0.058	-0.031
	[0.001]***	[0.001]***
MG	0.019	0.023
	[0.001]***	[0.001]***
RJ	-0.032	-0.039
	[0.001]***	[0.001]***
RS	0.012	0.017
	[0.001]***	[0.001]***
Lower primary	0.083	-0.035
	[0.002]***	[0.001]***
Upper primary	0.126	-0.018
	[0.002]***	[0.002]***
Secondary	0.232	0.113
	[0.001]***	[0.002]***
College	0.303	0.257
	[0.001]***	[0.002]***
Graduate school	0.288	0.333
	[0.002]***	[0.007]***
Year Dummies	Yes	Yes
Observations	2,000,808	1,810,580

Standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C28: PME: Effects of change in maternity leave policy on young females' employment, Policy 3 only

Employed	***Control group***	
	Young Males	**Older Females**
Head of Household	0.173	0.150
	[0.001]***	[0.001]***
Female	-0.282	-
	[0.001]***	-
Policy3	-0.067	-0.982
	[0.001]***	[0.000]***
p3xfemale	0.070	-
	[0.001]***	-
Female20to40	-	-0.027
	-	[0.002]***
p3xfemale20to40	-	-0.001
	-	[0.001]
Exp	0.015	0.015
	[0.000]***	[0.000]***
Exp squared	-0.000	-0.000
	[0.000]***	[0.000]***
PE	-0.107	-0.118
	[0.001]***	[0.001]***
BA	-0.060	-0.046
	[0.001]***	[0.001]***
MG	0.015	0.008
	[0.001]***	[0.001]***
RJ	-0.023	-0.038
	[0.001]***	[0.001]***
RS	0.014	0.004
	[0.001]***	[0.001]***
Lower primary	0.092	-0.018
	[0.001]***	[0.001]***
Upper primary	0.137	-0.009
	[0.001]***	[0.001]***
Secondary	0.253	0.098
	[0.001]***	[0.001]***
College	0.304	0.254
	[0.001]***	[0.002]***
Graduate school	0.286	0.349
	[0.001]***	[0.005]***
Year Dummies	Yes	Yes
Observations	2,454,140	2,246,240

Standard errors in brackets

* significant at 10%; ** significant at 5%; *** significant at 1%

PNAD

Wage Equation before Heckman's Correction

Table C29: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages, Policy 2B only

loghw	**Control group**	
	Young Males	**Older Females**
Female	-0.257	-
	[0.004]***	-
Policy2B	0.008	0.077
	[0.004]*	[0.008]***
p2Bxfemale	0.035	-
	[0.005]***	-
female20to40	-	0.050
	-	[0.008]***
p2Bxfemale20to40	-	-0.043
	-	[0.007]***
Age	0.076	0.032
	[0.002]***	[0.001]***
Age squared	-0.001	-0.000
	[0.000]***	[0.000]***
Black	-0.145	-0.146
	[0.005]***	[0.007]***
Mixed	-0.110	-0.113
	[0.003]***	[0.004]***
Asian	0.109	0.117
	[0.023]***	[0.027]***
Native	-0.076	-0.048
	[0.029]***	[0.038]
Migrant	0.065	0.046
	[0.003]***	[0.004]***
Years of schooling	0.069	0.073
	[0.000]***	[0.001]***
College	0.483	0.439
	[0.005]***	[0.006]***
Graduate school	0.947	0.833
	[0.022]***	[0.022]***
Federal	0.336	0.440
	[0.007]***	[0.009]***
State	0.042	0.014
	[0.005]***	[0.006]**
Municipal	-0.092	-0.047
	[0.005]***	[0.005]***
Seniority	0.023	0.018
	[0.000]***	[0.000]***
Commerce	-0.107	-0.131
	[0.003]***	[0.005]***

Service	-0.041	-0.045
	[0.003]***	[0.005]***
Others	0.054	0.025
	[0.004]***	[0.005]***
Urban	0.075	0.071
	[0.004]***	[0.007]***
Constant	-1.231	-0.848
	[0.032]***	[0.027]***
Observations	221,974	120,128
R-squared	0.48	0.52

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C30: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using young males as a control group by wage levels, Policy 2B only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female	-0.157	-0.194	-0.213
	[0.003]***	[0.003]***	[0.003]***
Policy1	0.041	0.011	0.044
	[0.004]***	[0.004]***	[0.004]***
p1xfemale	0.026	0.031	0.033
	[0.004]***	[0.004]***	[0.004]***
Age	0.054	0.069	0.074
	[0.002]***	[0.002]***	[0.002]***
Age Squared	-0.001	-0.001	-0.001
	[0.000]***	[0.000]***	[0.000]***
Black	-0.087	-0.108	-0.119
	[0.004]***	[0.004]***	[0.004]***
Mixed	-0.058	-0.077	-0.086
	[0.002]***	[0.002]***	[0.002]***
Asian	0.049	0.048	0.089
	[0.022]**	[0.021]**	[0.021]***
Native	-0.045	-0.055	-0.061
	[0.024]*	[0.026]**	[0.027]**
Migrant	0.036	0.044	0.047
	[0.003]***	[0.003]***	[0.003]***
Years of Schooling	0.044	0.054	0.059
	[0.000]***	[0.000]***	[0.000]***
College	0.238	0.280	0.317
	[0.006]***	[0.005]***	[0.005]***
Graduate School	0.402	0.503	0.590
	[0.047]***	[0.033]***	[0.030]***
Federal	0.195	0.249	0.272
	[0.006]***	[0.006]***	[0.006]***
State	0.081	0.078	0.074
	[0.005]***	[0.005]***	[0.005]***
Municipal	-0.037	-0.056	-0.066
	[0.004]***	[0.005]***	[0.005]***
Seniority	0.016	0.020	0.021
	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.075	-0.088	-0.095
	[0.003]***	[0.003]***	[0.003]***
Service	-0.009	-0.020	-0.026
	[0.003]***	[0.003]***	[0.003]***
Others	0.101	0.092	0.082
	[0.003]***	[0.004]***	[0.004]***
Urban	0.055	0.070	0.074
	[0.004]***	[0.004]***	[0.004]***
Constant	-0.705	-0.992	-1.107
	[0.028]***	[0.030]***	[0.030]***
Observations	185,485	203,776	210,894

R-squared	0.28	0.36	0.39

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C31: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using older females as a control group by wage levels, Policy 2B only

loghw	***w≤800***	***w≤1200***	***w≤1600***
Female20to40	0.039	0.050	0.052
	[0.007]***	[0.007]***	[0.007]***
Policy1	0.057	0.102	0.069
	[0.007]***	[0.007]***	[0.007]***
p1xfemale20to40	-0.031	-0.032	-0.035
	[0.006]***	[0.006]***	[0.007]***
Age	0.015	0.022	0.025
	[0.001]***	[0.001]***	[0.001]***
Age Squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
Black	-0.088	-0.105	-0.119
	[0.006]***	[0.006]***	[0.006]***
Mixed	-0.061	-0.079	-0.089
	[0.003]***	[0.003]***	[0.003]***
Asian	0.057	0.069	0.113
	[0.028]**	[0.026]***	[0.025]***
Native	0.002	-0.018	-0.026
	[0.037]	[0.037]	[0.036]
Migrant	0.023	0.029	0.031
	[0.004]***	[0.004]***	[0.004]***
Years of Schooling	0.053	0.062	0.066
	[0.000]***	[0.001]***	[0.001]***
College	0.228	0.281	0.316
	[0.006]***	[0.006]***	[0.006]***
Graduate School	0.387	0.502	0.562
	[0.039]***	[0.029]***	[0.026]***
Federal	0.226	0.295	0.332
	[0.009]***	[0.008]***	[0.008]***
State	0.068	0.053	0.042
	[0.005]***	[0.005]***	[0.005]***
Municipal	0.001	-0.017	-0.026
	[0.005]	[0.005]***	[0.005]***
Seniority	0.013	0.015	0.016
	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.069	-0.087	-0.101
	[0.004]***	[0.005]***	[0.005]***
Service	-0.005	-0.018	-0.024
	[0.005]	[0.005]***	[0.005]***
Others	0.094	0.082	0.068
	[0.004]***	[0.004]***	[0.004]***
Urban	0.058	0.070	0.073
	[0.006]***	[0.006]***	[0.006]***
Constant	-0.409	-0.604	-0.697
	[0.024]***	[0.024]***	[0.025]***
Observations	99,427	109,368	113,527

R-squared	0.35	0.42	0.45

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C32: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using young males as a control group by child's age, Policy 2B only

loghw	***Without children***	***age≤1***	***age >1 and age≤2***	***age >2 and age≤6***	***age >6 and age≤10***
Female	-0.245	-0.208	-0.236	-0.257	-0.302
	[0.005]***	[0.010]***	[0.013]***	[0.007]***	[0.008]***
Policy1	0.010	0.011	0.058	0.057	0.012
	[0.005]**	[0.005]**	[0.005]***	[0.005]***	[0.005]**
p1xfemale	0.035	0.036	0.036	0.039	0.044
	[0.006]***	[0.013]***	[0.016]**	[0.009]***	[0.011]***
Age	0.070	0.079	0.080	0.079	0.083
	[0.002]***	[0.003]***	[0.003]***	[0.003]***	[0.003]***
Age Squared	-0.001	-0.001	-0.001	-0.001	-0.001
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Black	-0.147	-0.140	-0.140	-0.139	-0.137
	[0.005]***	[0.006]***	[0.006]***	[0.005]***	[0.006]***
Mixed	-0.111	-0.108	-0.106	-0.107	-0.106
	[0.003]***	[0.003]***	[0.003]***	[0.003]***	[0.003]***
Asian	0.079	0.067	0.053	0.086	0.086
	[0.025]***	[0.031]**	[0.031]*	[0.030]***	[0.030]***
Native	-0.102	-0.067	-0.086	-0.089	-0.068
	[0.031]***	[0.037]*	[0.036]**	[0.034]***	[0.035]**
Migrant	0.070	0.070	0.072	0.069	0.070
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Years of Schooling	0.069	0.067	0.067	0.067	0.067
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
College	0.493	0.541	0.543	0.536	0.535
	[0.006]***	[0.008]***	[0.008]***	[0.007]***	[0.008]***
Graduate School	0.980	1.045	1.039	1.000	1.029
	[0.025]***	[0.029]***	[0.029]***	[0.028]***	[0.029]***
Federal	0.308	0.297	0.296	0.307	0.305
	[0.007]***	[0.008]***	[0.008]***	[0.008]***	[0.008]***
State	0.059	0.051	0.054	0.050	0.049
	[0.006]***	[0.007]***	[0.007]***	[0.007]***	[0.007]***
Municipal	-0.102	-0.137	-0.142	-0.126	-0.131
	[0.006]***	[0.008]***	[0.008]***	[0.007]***	[0.007]***
Seniority	0.023	0.024	0.024	0.024	0.024
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.111	-0.094	-0.095	-0.095	-0.093
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Service	-0.041	-0.042	-0.042	-0.042	-0.040
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Others	0.059	0.066	0.068	0.061	0.062
	[0.005]***	[0.005]***	[0.006]***	[0.005]***	[0.005]***
Urban	0.081	0.083	0.083	0.078	0.082
	[0.005]***	[0.005]***	[0.005]***	[0.005]***	[0.005]***
Constant	-1.172	-1.306	-1.323	-1.295	-1.363
	[0.037]***	[0.040]***	[0.041]***	[0.040]***	[0.040]***

Observations	174,762	143,530	140,627	151,705	146,992
R-squared	0.47	0.48	0.48	0.48	0.48

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C33: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using older females as a control group by child's age, Policy 2B only

loghw	***Without children***	***age≤1***	***age >1 and age≤2***	***age >2 and age≤6***	***age >6 and age≤10***
Female20 to 40	0.080	0.112	0.073	0.064	
	[0.019]***	[0.017]***	[0.020]***	[0.012]***	0.033
Policy1	0.139	0.137	0.135	0.070	[0.013]**
	[0.018]***	[0.010]***	[0.011]***	[0.010]***	[0.010]***
p1xfemale20to40	-0.044	-0.042	-0.052	-0.041	-0.039
	[0.017]**	[0.014]***	[0.017]***	[0.010]***	[0.012]***
Age	0.035	0.032	0.028	0.029	0.023
	[0.002]***	[0.003]***	[0.003]***	[0.002]***	[0.003]***
Age Squared	-0.000	-0.000	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Black	-0.161	-0.139	-0.139	-0.134	-0.130
	[0.011]***	[0.011]***	[0.011]***	[0.010]***	[0.011]***
Mixed	-0.121	-0.113	-0.107	-0.112	-0.107
	[0.006]***	[0.007]***	[0.007]***	[0.006]***	[0.006]***
Asian	0.062	0.049	0.027	0.085	0.084
	[0.038]*	[0.044]	[0.045]	[0.043]**	[0.043]*
Native	-0.163	0.039	-0.010	-0.038	0.024
	[0.054]***	[0.070]	[0.064]	[0.057]	[0.057]
Migrant	0.058	0.034	0.035	0.035	0.033
	[0.008]***	[0.008]***	[0.008]***	[0.007]***	[0.007]***
Years of Schooling	0.078	0.074	0.074	0.073	0.074
	[0.001]***	[0.001]***	[0.001]***	[0.001]***	[0.001]***
College	0.401	0.444	0.439	0.449	0.436
	[0.010]***	[0.010]***	[0.010]***	[0.009]***	[0.010]***
Graduate School	0.818	0.829	0.812	0.797	0.808
	[0.036]***	[0.029]***	[0.030]***	[0.028]***	[0.029]***
Federal	0.375	0.465	0.471	0.472	0.474
	[0.015]***	[0.014]***	[0.014]***	[0.013]***	[0.013]***
State	0.056	-0.029	-0.028	-0.017	-0.020
	[0.010]***	[0.009]***	[0.010]***	[0.009]**	[0.009]**
Municipal	-0.027	-0.058	-0.058	-0.054	-0.054
	[0.009]***	[0.009]***	[0.009]***	[0.008]***	[0.008]***
Seniority	0.017	0.017	0.017	0.017	0.017
	[0.001]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.170	-0.101	-0.097	-0.108	-0.087
	[0.008]***	[0.012]***	[0.013]***	[0.010]***	[0.011]***
Service	-0.045	-0.075	-0.077	-0.067	-0.059
	[0.009]***	[0.010]***	[0.011]***	[0.009]***	[0.010]***
Others	0.031	-0.012	-0.014	-0.008	-0.011
	[0.008]***	[0.009]	[0.009]	[0.008]	[0.008]
Urban	0.090	0.087	0.087	0.067	0.080
	[0.012]***	[0.011]***	[0.012]***	[0.010]***	[0.011]***
Constant	-1.012	-0.909	-0.790	-0.753	-0.669

	[0.047]***	[0.073]***	[0.086]***	[0.057]***	[0.084]***
Observations	43,882	41,684	38,781	49,859	45,146
R-squared	0.49	0.56	0.56	0.56	0.55

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C34: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on females' hourly wages in the private sector using females in the public sector as a control group, Policy 2B only

Loghw	Control Group		
	Females – public sector	**Young Females – public sector**	**Older Females – public sector**
Femalep	0.009	-	-
	[0.006]	-	-
Policy2	0.098	0.094	0.109
	[0.007]***	[0.009]***	[0.014]***
p2Bxfemalep	-0.096	-	-
	[0.007]***	-	-
female20to40p	-	0.000	-
	-	[0.007]	-
p2Bxfemale20to40p	-	-0.097	-
	-	[0.008]***	-
female41to65p	-	-	0.026
	-	-	[0.012]**
p2Bxfemale41to65p	-	-	-0.088
	-	-	[0.013]***
Age	0.032	0.062	-0.003
	[0.001]***	[0.003]***	[0.010]
Age squared	-0.000	-0.001	0.000
	[0.000]***	[0.000]***	[0.000]
Black	-0.147	-0.153	-0.134
	[0.007]***	[0.008]***	[0.013]***
Mixed	-0.118	-0.119	-0.112
	[0.004]***	[0.004]***	[0.008]***
Asian	0.134	0.174	0.022
	[0.027]***	[0.033]***	[0.045]
Native	-0.041	-0.054	0.012
	[0.038]	[0.046]	[0.070]
Migrant	0.059	0.061	0.046
	[0.004]***	[0.005]***	[0.009]***
Years of schooling	0.075	0.073	0.077
	[0.001]***	[0.001]***	[0.001]***
College	0.449	0.447	0.450
	[0.006]***	[0.007]***	[0.012]***
Graduate school	0.888	0.881	0.901
	[0.022]***	[0.031]***	[0.033]***
Seniority	0.019	0.023	0.017
	[0.000]***	[0.001]***	[0.000]***
Commerce	-0.140	-0.137	-0.104
	[0.005]***	[0.006]***	[0.015]***
Service	-0.055	-0.038	-0.095
	[0.005]***	[0.006]***	[0.012]***
Others	0.001	0.028	-0.068
	[0.005]	[0.006]***	[0.010]***
Urban	0.093	0.092	0.107

	[0.007]***	[0.008]***	[0.014]***
Constant	-0.846	-1.253	-0.058
	[0.026]***	[0.053]***	[0.262]
Year Dummies	Yes	Yes	Yes
State Dummies	Yes	Yes	Yes
Observations	120,128	85,668	31,200
R-squared	0.50	0.47	0.54

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Wage Equation after Heckman's Correction

Table C35: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages, Policy 2B only

loghw	**Control group**	
	Young Males	**Older Females**
Female	-0.224	-
	[0.004]***	-
Policy2B	0.014	0.079
	[0.004]***	[0.008]***
p2Bxfemale	0.033	-
	[0.005]***	-
Female20to40	-	0.051
	-	[0.008]***
p2Bxfemale20to40	-	-0.043
	-	[0.007]***
Age	0.063	0.027
	[0.002]***	[0.001]***
Age squared	-0.001	-0.000
	[0.000]***	[0.000]***
Black	-0.149	-0.151
	[0.005]***	[0.007]***
Mixed	-0.112	-0.115
	[0.003]***	[0.004]***
Asian	0.133	0.122
	[0.023]***	[0.027]***
Native	-0.084	-0.056
	[0.029]***	[0.038]
Migrant	0.062	0.048
	[0.003]***	[0.004]***
Years of schooling	0.063	0.068
	[0.000]***	[0.001]***
College	0.468	0.438
	[0.005]***	[0.006]***
Graduate school	0.921	0.825
	[0.022]***	[0.022]***
Federal	0.336	0.440
	[0.007]***	[0.009]***
State	0.042	0.015
	[0.005]***	[0.006]***
Municipal	-0.088	-0.046
	[0.005]***	[0.005]***
Seniority	0.023	0.018
	[0.000]***	[0.000]***
Commerce	-0.107	-0.131
	[0.003]***	[0.005]***
Service	-0.040	-0.046
	[0.003]***	[0.005]***
Others	0.057	0.026

	[0.004]***	[0.005]***
Urban	0.060	0.066
	[0.005]***	[0.007]***
Constant	-0.866	-0.680
	[0.034]***	[0.044]***
Year Dummies	Yes	Yes
State Dummies	Yes	Yes
Inverse Mills Ratio	-0.160	-0.057
	[0.005]***	[0.012]***
Observations	221,974	120,128
R-squared	0.48	0.52

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C36: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly using young males as a control group wages by wage levels, Policy 2B only

loghw	w≤800	w≤1200	w≤1600
Female	-0.136	-0.170	-0.186
	[0.003]***	[0.003]***	[0.003]***
Policy2B	0.065	0.044	0.073
	[0.004]***	[0.004]***	[0.004]***
p2Bxfemale	0.025	0.029	0.032
	[0.004]***	[0.004]***	[0.004]***
Age	0.037	0.048	0.052
	[0.002]***	[0.002]***	[0.002]***
Age squared	-0.001	-0.001	-0.001
	[0.000]***	[0.000]***	[0.000]***
Black	-0.065	-0.082	-0.091
	[0.004]***	[0.004]***	[0.004]***
Mixed	-0.047	-0.063	-0.072
	[0.002]***	[0.002]***	[0.003]***
Asian	0.063	0.065	0.105
	[0.022]***	[0.021]***	[0.021]***
Native	-0.027	-0.035	-0.039
	[0.025]	[0.026]	[0.027]
Migrant	0.032	0.039	0.041
	[0.003]***	[0.003]***	[0.003]***
Years of schooling	0.038	0.048	0.052
	[0.000]***	[0.000]***	[0.000]***
College	0.222	0.261	0.298
	[0.006]***	[0.005]***	[0.005]***
Graduate school	0.375	0.470	0.555
	[0.047]***	[0.033]***	[0.030]***
Federal	0.195	0.250	0.273
	[0.006]***	[0.006]***	[0.006]***
State	0.082	0.079	0.074
	[0.005]***	[0.005]***	[0.005]***
Municipal	-0.035	-0.054	-0.063
	[0.004]***	[0.005]***	[0.005]***
Seniority	0.015	0.019	0.021
	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.075	-0.087	-0.094
	[0.003]***	[0.003]***	[0.003]***
Service	-0.008	-0.020	-0.026
	[0.003]***	[0.003]***	[0.003]***
Others	0.103	0.094	0.085
	[0.003]***	[0.004]***	[0.004]***
Urban	0.078	0.096	0.102
	[0.004]***	[0.004]***	[0.004]***
Constant	-0.342	-0.552	-0.634
	[0.032]***	[0.033]***	[0.034]***
Year Dummies	Yes	Yes	Yes
State Dummies	Yes	Yes	Yes

Inverse Mills Ratio	-0.355 [0.014]***	-0.427 [0.014]***	-0.459 [0.015]***
Observations	185,485	203,776	210,894
R-squared	0.29	0.36	0.40

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C37: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using older females as a control group by wage levels, Policy 2B only

loghw	w≤800	w≤1200	w≤1600
Female20to40	0.052	0.055	0.055
	[0.007]***	[0.007]***	[0.007]***
Policy2B	0.089	0.049	0.046
	[0.007]***	[0.008]***	[0.008]***
p2Bxfemale20to40	-0.034	-0.037	-0.037
	[0.006]***	[0.007]***	[0.007]***
Age	0.029	0.034	0.037
	[0.001]***	[0.001]***	[0.001]***
Age squared	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***
Black	-0.122	-0.140	-0.152
	[0.006]***	[0.007]***	[0.007]***
Mixed	-0.089	-0.100	-0.108
	[0.004]***	[0.004]***	[0.004]***
Asian	0.067	0.110	0.106
	[0.026]***	[0.025]***	[0.025]***
Native	-0.018	-0.026	-0.045
	[0.037]	[0.036]	[0.036]
Migrant	0.027	0.028	0.031
	[0.004]***	[0.004]***	[0.004]***
Years of schooling	0.069	0.075	0.079
	[0.001]***	[0.001]***	[0.001]***
College	0.276	0.311	0.347
	[0.006]***	[0.006]***	[0.006]***
Graduate school	0.501	0.561	0.631
	[0.029]***	[0.026]***	[0.024]***
Federal	0.294	0.330	0.351
	[0.008]***	[0.008]***	[0.008]***
State	0.052	0.041	0.028
	[0.005]***	[0.005]***	[0.005]***
Municipal	-0.017	-0.025	-0.032
	[0.005]***	[0.005]***	[0.005]***
Seniority	0.015	0.016	0.017
	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.087	-0.101	-0.108
	[0.005]***	[0.005]***	[0.005]***
Service	-0.020	-0.026	-0.031
	[0.005]***	[0.005]***	[0.005]***
Others	0.083	0.069	0.058
	[0.004]***	[0.004]***	[0.005]***
Urban	0.048	0.046	0.044
	[0.007]***	[0.007]***	[0.007]***
Constant	-0.840	-0.989	-1.093
	[0.038]***	[0.039]***	[0.040]***
Year Dummies	Yes	Yes	
State Dummies	Yes	Yes	

Inverse Mills Ratio	0.154 [0.019]***	0.190 [0.019]***	0.218 [0.020]***
Observations	109,368	113,527	116,206
R-squared	0.42	0.45	0.48

Robust standard errors in brackets
* significant at 10%; ** significant at 5%; *** significant at 1%

Table C38: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using young males as a control group by child's age, Policy 2B only

loghw	***Without children***	***age≤1***	***age >1 and age≤2***	***age >2 and age≤6***	***age >6 and age≤10***
Female	-0.205	-0.167	-0.196	-0.219	-0.255
	[0.005]***	[0.010]***	[0.013]***	[0.007]***	[0.009]***
Policy1	0.047	0.038	0.081	0.080	0.040
	[0.005]***	[0.005]***	[0.005]***	[0.005]***	[0.005]***
p1xfemale	0.035	0.035	0.034	0.037	0.041
	[0.006]***	[0.013]***	[0.016]**	[0.009]***	[0.011]***
Age	0.051	0.055	0.057	0.052	0.057
	[0.002]***	[0.003]***	[0.003]***	[0.003]***	[0.003]***
Age Squared	-0.001	-0.001	-0.001	-0.001	-0.001
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Black	-0.120	-0.121	-0.121	-0.118	-0.116
	[0.005]***	[0.006]***	[0.006]***	[0.005]***	[0.006]***
Mixed	-0.096	-0.098	-0.097	-0.097	-0.096
	[0.003]***	[0.003]***	[0.003]***	[0.003]***	[0.003]***
Asian	0.093	0.090	0.075	0.109	0.107
	[0.025]***	[0.031]***	[0.031]**	[0.030]***	[0.030]***
Native	-0.073	-0.039	-0.057	-0.062	-0.040
	[0.031]**	[0.037]	[0.036]	[0.034]*	[0.035]
Migrant	0.061	0.062	0.063	0.061	0.062
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Years of Schooling	0.062	0.065	0.066	0.065	0.065
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
College	0.464	0.516	0.519	0.511	0.512
	[0.006]***	[0.008]***	[0.008]***	[0.008]***	[0.008]***
Graduate School	0.926	0.991	0.986	0.950	0.980
	[0.025]***	[0.028]***	[0.029]***	[0.028]***	[0.029]***
Federal	0.306	0.295	0.293	0.306	0.303
	[0.007]***	[0.008]***	[0.008]***	[0.008]***	[0.008]***
State	0.057	0.049	0.052	0.049	0.048
	[0.006]***	[0.007]***	[0.007]***	[0.007]***	[0.007]***
Municipal	-0.099	-0.134	-0.140	-0.123	-0.129
	[0.006]***	[0.008]***	[0.008]***	[0.007]***	[0.007]***
Seniority	0.023	0.024	0.024	0.024	0.024
	[0.000]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.110	-0.094	-0.094	-0.095	-0.092
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Service	-0.040	-0.041	-0.040	-0.040	-0.039
	[0.004]***	[0.004]***	[0.004]***	[0.004]***	[0.004]***
Others	0.063	0.070	0.072	0.065	0.066
	[0.004]***	[0.005]***	[0.005]***	[0.005]***	[0.005]***
Urban	0.106	0.102	0.100	0.098	0.100
	[0.005]***	[0.005]***	[0.005]***	[0.005]***	[0.005]***
Constant	-0.735	-0.858	-0.880	-0.784	-0.857
	[0.038]***	[0.042]***	[0.043]***	[0.043]***	[0.043]***

Inverse Mills Ratio	-0.456	-0.317	-0.311	-0.332	-0.330
	[0.012]***	[0.009]***	[0.009]***	[0.010]***	[0.010]***
Observations	174,762	143,530	140,627	151,705	146,992
R-squared	0.47	0.48	0.48	0.48	0.48

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Table C39: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' hourly wages using older females as a control group by child's age, Policy 2B only

loghw	***Without children***	***age≤1***	***age >1 and age≤2***	***age >2 and age≤6***	***age >6 and age≤10***
Female20 to 40	0.059	0.107	0.065	-0.040	0.022
	[0.019]***	[0.018]***	[0.020]***	[0.010]***	[0.013]*
Policy1	0.190	0.142	0.144	0.074	0.145
	[0.019]***	[0.011]***	[0.011]***	[0.011]***	[0.011]***
p1xfemale20to40	-0.030	-0.040	-0.046	0.061	-0.036
	[0.017]*	[0.014]***	[0.017]***	[0.012]***	[0.012]***
Age	0.014	0.026	0.011	0.025	0.001
	[0.003]***	[0.005]***	[0.007]	[0.004]***	[0.009]
Age Squared	-0.000	-0.000	-0.000	-0.000	-0.000
	[0.000]***	[0.000]***	[0.000]*	[0.000]***	[0.000]
Black	-0.093	-0.135	-0.131	-0.130	-0.121
	[0.013]***	[0.011]***	[0.012]***	[0.011]***	[0.011]***
Mixed	-0.087	-0.111	-0.104	-0.110	-0.103
	[0.007]***	[0.007]***	[0.007]***	[0.006]***	[0.007]***
Asian	0.092	0.050	0.029	0.086	0.084
	[0.037]**	[0.044]	[0.045]	[0.043]**	[0.043]*
Native	-0.276	0.041	-0.004	-0.037	0.028
	[0.055]***	[0.070]	[0.064]	[0.057]	[0.057]
Migrant	0.051	0.035	0.038	0.036	0.037
	[0.008]***	[0.008]***	[0.008]***	[0.007]***	[0.007]***
Years of Schooling	0.054	0.072	0.071	0.072	0.071
	[0.003]***	[0.001]***	[0.001]***	[0.001]***	[0.001]***
College	0.422	0.441	0.434	0.448	0.435
	[0.010]***	[0.010]***	[0.011]***	[0.009]***	[0.010]***
Graduate School	0.818	0.825	0.806	0.795	0.807
	[0.036]***	[0.029]***	[0.030]***	[0.028]***	[0.029]***
Federal	0.376	0.464	0.470	0.472	0.473
	[0.015]***	[0.014]***	[0.014]***	[0.013]***	[0.013]***
State	0.060	-0.029	-0.028	-0.017	-0.020
	[0.010]***	[0.009]***	[0.010]***	[0.009]**	[0.009]**
Municipal	-0.024	-0.059	-0.058	-0.054	-0.054
	[0.009]***	[0.009]***	[0.009]***	[0.008]***	[0.008]***
Seniority	0.017	0.017	0.017	0.017	0.017
	[0.001]***	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Commerce	-0.169	-0.101	-0.097	-0.108	-0.087
	[0.008]***	[0.012]***	[0.013]***	[0.010]***	[0.011]***
Service	-0.045	-0.075	-0.077	-0.067	-0.059
	[0.009]***	[0.010]***	[0.011]***	[0.009]***	[0.010]***
Others	0.031	-0.013	-0.015	-0.009	-0.011
	[0.008]***	[0.009]	[0.009]*	[0.008]	[0.008]
Urban	0.121	0.096	0.103	0.073	0.093
	[0.013]***	[0.013]***	[0.013]***	[0.011]***	[0.012]***
Constant	-0.182	-0.708	-0.302	-0.627	-0.090
	[0.095]*	[0.146]***	[0.200]	[0.118]***	[0.228]

Inverse Mills Ratio	-0.769	-0.057	-0.111	-0.041	-0.108
	[0.077]***	[0.036]	[0.041]***	[0.033]	[0.038]***
Observations	43,882	41,684	38,781	49,859	45,146
R-squared	0.49	0.56	0.56	0.56	0.55

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

Employment Equation

Table C40: Pesquisa Nacional por Amostra à Domicilio: Effects of change in maternity leave policy on young females' employment, Policy 2B only

Employed	Control Group			
	Young Males	Older Females	Young Males	Older Females
	Private and Public Sectors		Public Sector	
Female	-0.272	-	0.079	-
	[0.002]***	-	[0.002]***	-
policy2B	-0.031	0.011	-0.052	-0.038
	[0.003]***	[0.003]***	[0.003]***	[0.007]***
p2Bxfemale	0.031	-	0.001	-
	[0.002]***	-	[0.003]	-
female20to40	-	-0.017	-	-0.009
	-	[0.003]***	-	[0.006]
p2Bxfemale20to40	-	-0.011	-	-0.006
	-	[0.003]***	-	[0.006]
Age	0.035	0.046	0.006	0.032
	[0.001]***	[0.000]***	[0.001]***	[0.001]***
Age squared	-0.000	-0.001	0.000	-0.000
	[0.000]***	[0.000]***	[0.000]***	[0.000]***
Black	0.016	0.073	0.014	0.038
	[0.003]***	[0.003]***	[0.004]***	[0.007]***
Mixed	0.004	0.026	0.014	0.026
	[0.001]***	[0.002]***	[0.002]***	[0.003]***
Asian	-0.075	-0.021	-0.033	-0.067
	[0.012]***	[0.012]*	[0.012]***	[0.019]***
Native	0.024	0.066	-0.006	-0.013
	[0.015]	[0.018]***	[0.020]	[0.033]
Migrant	0.008	0.002	-0.041	-0.082
	[0.002]***	[0.002]	[0.002]***	[0.004]***
Years of schooling	0.017	0.021	0.027	0.037
	[0.000]***	[0.000]***	[0.000]***	[0.001]***
College	0.131	0.137	0.057	0.100
	[0.003]***	[0.003]***	[0.003]***	[0.005]***
Graduate school	0.168	0.211	0.072	0.075
	[0.011]***	[0.014]***	[0.013]***	[0.017]***
Urban	-0.042	0.000	-0.179	-0.331
	[0.002]***	[0.003]	[0.004]***	[0.006]***
Head of household	0.199	0.175	-	-0.049
	[0.001]***	[0.002]***	-	[0.003]***
Number of children	-	-0.013	-	0.034
	-	[0.000]***	-	[0.001]***
Year Dummies	Yes	Yes	Yes	Yes
State Dummies	Yes	Yes	Yes	Yes
Observations	603,433	503,216	258,873	139,769

Robust standard errors in brackets
* significant at 5%; ** significant at 1%

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